

Nation Building | Our Business



The KCP Limited

81st Annual Report 2021-2022



DAVID DUTT
A Legacy of a Pioneer's Life Journey

Shri. M. Venkatesh Naidu

DAVID DUTT

DAVID DUTT

DAVID DUTT

DAVID DUTT

DAVID DUTT



Contents

1. Corporate Information	3
2. Board of Directors	7
3. Corporate Social Responsibility (CSR)	11
4. Directors' Report	16
5. Management Discussion and Analysis	26
6. Directors' Report Annexures	34
• Annual Report on Corporate Social Responsibility (CSR)	36
• Form AOC-1	40
• Form AOC-2	41
7. Secretarial Audit Report	42
8. Business Responsibility and Sustainability Report	46
9. Corporate Governance Report	76
10. Corporate Governance Certifications	100
11. CEO / CFO Certification	101
12. Independent Auditors' Report	102
13. Financial Statements - The KCP Limited (Standalone)	112
14. Financial Statements - The KCP Limited (Group)	179
15. Notice of the 81st Annual General Meeting of the Company	263

Key Financial Summary - The KCP Limited (Standalone)

10 Years	Year Ended										(Rs. In Crores)
	31-3-2022	31-3-2021	31-3-2020	31-3-2019	31-3-2018	31-3-2017	31-3-2016	31-3-2015	31-3-2014	31-3-2013	
Share Capital	12.89	12.89	12.89	12.89	12.89	12.89	12.89	12.89	20.89	27.89	
Reserves & Surplus	710.72	606.50	454.11	477.44	452.89	397.68	366.52	345.92	342.50	344.58	
Net Worth	723.61	619.39	467.00	490.33	465.78	410.57	379.41	358.81	363.39	372.47	
Fixed Assets (Net)	868.06	907.66	957.69	981.10	907.10	722.23	718.38	694.86	664.53	606.39	
Debt	336.31	396.41	509.03	558.98	479.24	413.08	393.71	318.28	312.52	201.13	
Gross Revenue	↑ 1,648.52	1,336.99	970.52	1,163.52	1,100.48	954.76	865.82	708.93	757.23	889.71	
Gross Profit	278.83	328.59	102.42	140.54	196.69	148.35	149.65	106.80	80.02	113.48	
Depreciation	65.17	69.42	71.41	51.93	49.03	48.61	39.12	34.31	34.09	31.97	
Interest	31.58	42.41	56.41	33.81	35.29	47.25	45.41	48.86	44.73	38.12	
Profit Before Tax	182.08	216.76	-25.40	54.80	112.37	52.49	65.12	23.63	1.20	43.39	
Profit After Tax	↓ 129.30	153.32	-6.77	39.51	81.27	33.81	42.86	15.87	1.27	30.46	
Other Comprehensive Income	0.70	1.00	-3.53	-2.06	-0.27	-2.66					
Total Comprehensive Income	130.00	154.32	-10.30	37.45	81.00	31.15					
Earnings Per Share (Rs.)	↓ 10.03	11.89	(0.52)	3.06	6.30	2.62	3.32	1.17	(0.04)	2.16	
Book Value Per Share (Rs.)	56.14	48.05	36.23	38.04	36.13	31.85	29.43	27.84	27.57	27.34	
Debt Equity Ratio	0.46	0.64	1.09	1.14	1.03	1.01	1.04	0.89	0.86	0.54	
Dividend On Equity (%)	100.00	200.00	15.00	100.00	100.00	200.00	100.00	75.00	10.00	100.00	

Key Financial Summary - The KCP Limited (Group)

10 Years	Year Ended										(Rs. In Crores)
	31-3-2022	31-3-2021	31-3-2020	31-3-2019	31-3-2018	31-3-2017	31-3-2016	31-3-2015	31-3-2014	31-3-2013	
Share Capital	12.89	12.89	12.89	12.89	12.89	12.89	12.89	12.89	20.89	27.89	
Reserves & Surplus	1,164.11	982.72	825.43	797.66	723.24	662.51	594.73	518.96	484.25	475.74	
Net Worth	↑ 1,177.00	995.61	838.32	810.55	736.13	675.40	607.62	531.85	505.14	503.63	
Fixed Assets (Net)	1,066.02	1,118.73	1,195.67	1,227.73	1,164.08	980.78	975.12	765.42	745.02	671.24	
Debt	434.32	467.94	544.91	591.70	555.85	516.40	474.12	318.34	303.08	196.42	
Gross Revenue	↓ 2,146.77	1,719.35	1,427.71	1,669.26	1,522.92	1,371.18	1,414.50	1,292.29	1,182.46	1,335.90	
Gross Profit	412.83	390.28	194.87	237.89	255.58	228.55	241.40	179.90	147.66	183.16	
Depreciation	87.06	91.71	96.09	75.62	70.51	62.59	48.29	48.21	47.13	44.42	
Interest	33.85	46.37	59.40	38.71	42.34	49.93	52.34	51.46	46.31	39.71	
Profit Before Tax	291.92	252.20	39.38	123.56	142.73	116.03	140.77	80.23	54.22	99.03	
Profit After Tax	↑ 188.14	162.99	27.13	82.22	89.51	76.55	93.35	50.37	34.49	65.24	
Other Comprehensive Income	19.03	-3.76	13.66	5.17	-2.91	-8.69					
Total Comprehensive Income	207.17	159.23	40.79	87.39	86.60	67.86					
Earnings Per Share (Rs.)	14.59	12.64	2.10	6.38	6.94	5.94	7.24	3.84	2.54	4.89	
Book Value Per Share (Rs.)	91.31	77.24	65.04	62.88	57.11	52.40	47.14	41.26	38.57	37.91	
Debt Equity Ratio	0.37	0.47	0.65	0.73	0.76	0.76	0.78	0.60	0.60	0.39	
Dividend On Equity (%)	100.00	200.00	15.00	100.00	100.00	200.00	100.00	75.00	10.00	100.00	

- Debt includes current maturities / short term borrowings.
- Figures for FY 2015-2016 and 2016-2017 have been restated in accordance with implementation of Indian Accounting Standards w.e.f. 01.04.2017.

Corporate Information

Board of Directors

Executive Directors

Dr. V.L. Indira Dutt, *Chairperson & Managing Director*
Smt. V. Kavitha Dutt, *Joint Managing Director*

Independent Directors

Sri. P.S. Kumar
Sri. V.H. Ramakrishnan
Sri. Vijay Sankar
Sri. M. Narasimhappa
Smt. Janaki Pillai

Non- Executive Non-Independent Directors

Sri. V. Chandrakumar Prasad
Dr. Subbarao Vallabhaneni
Sri. Ravi Chitturi

Chief Financial Officer

Sri. G.N. Murty

Company Secretary

Sri. Y. Vijayakumar

Statutory Auditors

M/s. K.S. Rao & Co., Chartered Accounts,
Flat No. 601A, Golden Green Apartments,
Irrumangil Colony, Hyderabad 500 082

Internal Auditors

M/s. Sriramamurty & Co., Visakhapatnam, Andhra Pradesh
M/s. M. Bhaskara Rao & Co. Hyderabad, Telangana

Registered & Corporate Office

"Ramakrishna Buildings",
2, Dr. P.V. Cherian Crescent, Egmore, Chennai 600 008, India.
Phone: +91 44 66772600 E-Mail: investor@kcp.co.in,
www.kcp.co.in

Registrar & Share Transfer Agents

M/s. Integrated Registry Management Services Pvt. Ltd
II Floor, "Kences Towers", No.1, Ramakrishna Street, North Usman Road
T. Nagar, Chennai 600 017 Ph: 044-28140801/803 Fax: 044-28142479
yuvraj@integratedindia.in, www.integratedindia.in

Cost Auditors

M/s. Narasimha Murthy & Co., Cost Accountants, Hyderabad
M/s. S. Mahadevan & Co., Cost Accountants, Chennai

Secretarial Auditor

Smt. Sobana Pranesh, Company Secretary in Practice, Chennai

Board Committees & Constitution

Audit Committee:

Sri. P.S. Kumar	Sri. V. H. Ramakrishnan
Sri. Vijay Sankar,	Smt. V. Kavitha Dutt
Sri. M. Narasimhappa	

Stakeholders Relationship Committee:

Sri. P.S. Kumar	Sri. M. Narasimhappa
Dr. V.L. Indira Dutt	Sri. V. H. Ramakrishnan
Sri. Vijay Sankar,	

Nomination and Remuneration Committee:

Sri. V. H. Ramakrishnan	Sri. Vijay Sankar
Dr. V.L. Indira Dutt	Sri. M. Narasimhappa
Sri. P.S. Kumar	

Risk Management Committee:

Smt. V. Kavitha Dutt	Sri. G.N. Murty
Dr. V.L. Indira Dutt	Sri. V.M. Rao
Sri. P.S. Kumar	Sri. B.V.P.S. Chowdary
Sri. Vijay Sankar	Sri. K. Ramakrishna
Sri. V. Chandrakumar Prasad	Sri. M. Narayana Rao
Sri. Ravi Chitturi	

Corporate Social Responsibility Committee:

Dr. V.L. Indira Dutt	Sri. P.S. Kumar
Smt. V. Kavitha Dutt	Sri. Vijay Sankar
Smt. Janaki Pillai	Sri. V. H. Ramakrishnan

Innovation and Best Practices Committee:

Sri. M. Narasimhappa	Smt. V. Kavitha Dutt
Sri. P.S. Kumar	Sri. Vijay Sankar,
Sri. Ravi Chitturi	

Finance Committee:

Dr. V.L. Indira Dutt	Sri. P.S. Kumar
Smt. V. Kavitha Dutt	Sri. Vijay Sankar

Investment Committee:

Dr. V.L. Indira Dutt	Sri. Vijay Sankar
Sri. P.S. Kumar	Sri. M. Narasimhappa
Sri. V. H. Ramakrishnan	

Bankers:

AXIS Bank	HDFC Bank
Bank of Baroda	Indian Overseas Bank
Canara Bank	State Bank of India
Federal Bank	

Plant Locations

Cement

Macherla, Palnadu District, Andhra Pradesh
Muktyala, NTR District, Andhra Pradesh
Cement Packing Plant, Arakkonam, Tamilnadu

Heavy Engineering

Thiruvottiyur, Chennai, Tamilnadu
Arakkonam, Tamilnadu

Hydel Power

Nekarikallu, Palnadu District, Andhra Pradesh

Waste Heat Recovery Power

Macherla, Palnadu District, Andhra Pradesh

Thermal Power

Muktyala, NTR District, Andhra Pradesh

Solar Power

Muktyala, NTR District, Andhra Pradesh

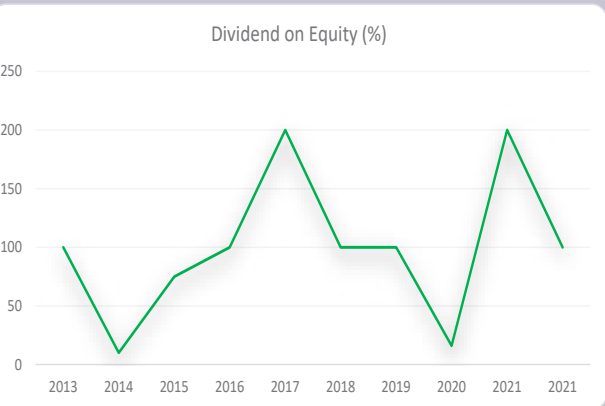
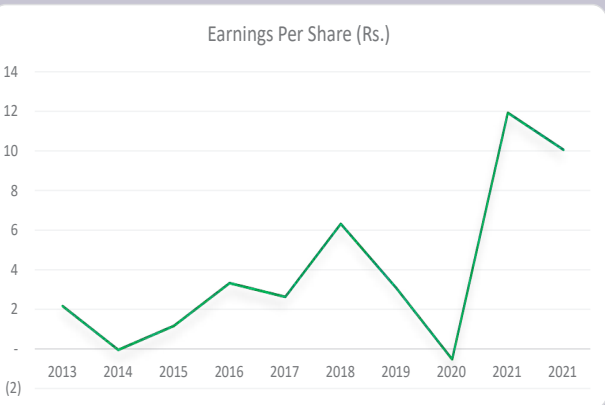
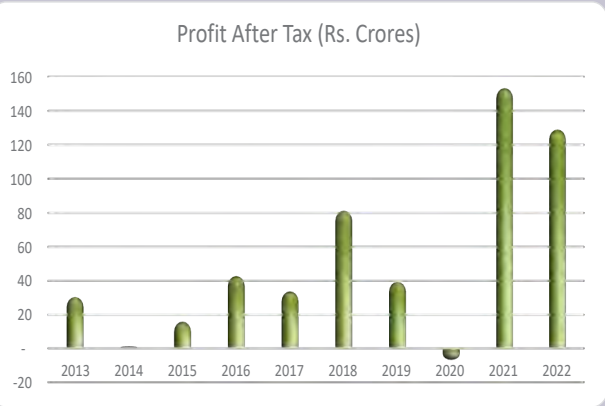
Wind Power

Uthumalai Village, Tirunelveli District, Tamilnadu

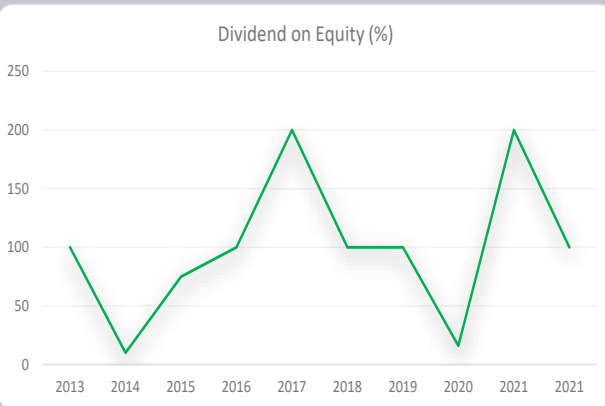
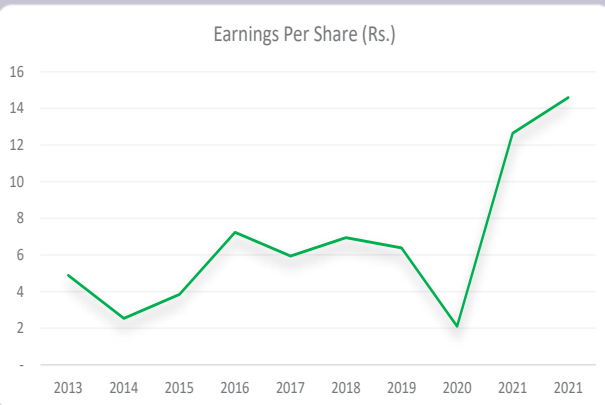
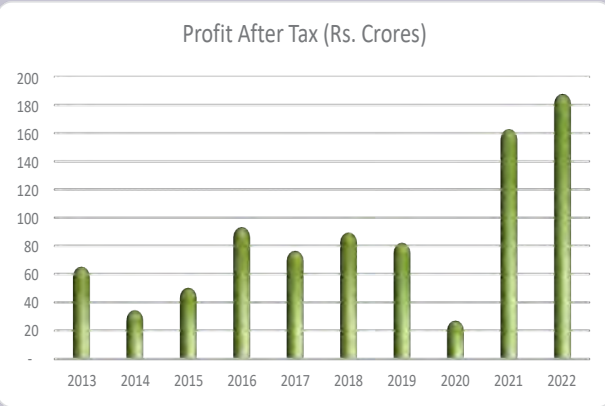
Hotel

Mercure Hyderabad KCP
Somajiguda, Hyderabad, Telangana

The KCP Limited



The KCP Limited (Group)



From the Chairperson & Managing Director

“When it’s done right, ESG investing is good business.”

Jeremy Richardson



Dear Shareholders,

The effects of Covid pandemic appears to be waning, due to the perseverance of various governments in implementing effective health measures and the vaccine administrations. Hopefully, the problems of the pandemic are behind us.

Just when we started breathing fresh air, the international scenario took a toss in areas of strategic relations and surge in inflations.

The international relations got severely strained with outbreak of conflicts. The sanctions imposed led to spiraling costs of Oil, Coal, Food grains etc. Consequently, countries including India, faced severe inflation in the economy.

The governments like the USA, India were forced to initiate control measures to contain the rates of inflation, not seen in decades. The large bouts of raises in benchmark rates like Federal Reserve Rate in USA and Repo Rate, had its effect on the markets.

The impact on the cement sector, which is a flagship business of our company, was severe in the form of skyrocketing coal prices. The raise in coal prices started from the middle of financial year 2021-22. Coal which used to be about USD 80 at the beginning of the financial year, shot up beyond USD 400 and hovering around USD 350.

But the silver lining was that the demand for cement continued to be healthy. The reduction in the margins were to some extent off set by the volumes.

Power generated by the coal fired power plants also came under the impact of cost escalations, including that of our company.

It is hoped that the initiatives of government in investing in infrastructure and capacity building along with the launch of ‘**Gati Shakti scheme**’ might further boost demand for Cement. Hopefully, the aggressive mergers and acquisitions, would not hamper the healthy competition, albeit at elevated levels, in the industry, so that companies of all sizes survive.

The Heavy Engineering segment of our company continues to suffer largely from input prices escalation. In the engineering segment also, demand continues to be healthy, but the selling prices are not remunerative due to stiff competition.

The Hotel at Hyderabad started doing good business, with healthy occupancies of rooms and enhanced foot falls in food & beverage segment.

The Company aims to grow sustainably and meaningfully and intend to become a carbon-neutral building materials entity as early as possible, in line with the National Policy.

Going forward, the industry is keenly looking forward to termination of international tensions, which could help restore normalcy in prices. The Government is doing its might to create demand in the economy. But cost push, emanating from beyond the borders, needs quick resolution.

The Company continues to support communities through various development initiatives in the areas of Sustainable Livelihoods, Quality of Education and WASH (Water, Sanitation and Hygiene). Our community development initiatives are implemented at the local level, thereby channeling contributions to areas of the greatest impact in the local context. The Corporate Social Responsibility (CSR) expenditure was beyond the limits set under the Companies Act, 2013.

We believe that good governance is an essential part of our business growth. Our governance framework and philosophy are inspired by our ethics, values and culture of professionalism followed for decades. The Board remains the custodian of trust for sustainable long-term wealth creation.

Before I conclude, on behalf of our Board of Directors, I would like to thank all the shareholders for their unstinted support to the Company.

I express my gratitude to the Central and State Governments for ensuring congenial atmosphere in running our business and also extend my thanks to other stake holders, customers, suppliers, dealers, tax authorities, enforcement agencies, banks in their understanding our requirements and standing by us.

I place on record the single-minded devotion of our employees in achieving the goals of the company.

Dr.V.L. Indira Dutt

Board of Directors



Dr. V.L. Indira Dutt
DIN: 00139883
Chairperson &
Managing Director

Dr. V. L. Indira Dutt, has a B.A (Economics) from Madras University and serves as Chairperson & Managing Director of the Company.

She has over 25 years of experience and has ably supported the then Executive Chairman in the strategic planning & direction of the operations of the company and has personally contributed towards the growth and operations of the Cement Plants at Macherla and Muktyala.

Presently, she serves as Chairperson of Fives Cail – KCP Limited, KCP Vietnam Industries Limited, Director of Velagapudi Foundation and V. Ramakrishna Sons Private Limited. She is the President of the World Telugu Federation (WTF) and Andhra Chamber of Commerce.

Dr. V.L. Indira Dutt is the Chairperson of the Corporate Social Responsibility Committee, Finance Committee, Investment Committee and member of Nomination and Remuneration Committee, Risk Management Committee and Stakeholders Relationship Committees of the Company.



Smt. V Kavitha Dutt
DIN: 00139274
Joint Managing Director

Smt. V Kavitha Dutt is the Joint Managing Director of the company. She is a graduate in Business Management (BBA) with specialization in International Business from Cedar Crest College, Allentown, Pennsylvania. She also holds a Post-Graduate Diploma in Human Resources from New York University (NYU), New York. She has over 22 years' experience and has significantly contributed at all levels of management, including in particular overseeing new projects, financial and human resources management, besides steering budgetary policies and review procedures for effective monitoring and follow up.

Smt. V. Kavitha Dutt is the Chairperson of the Risk Management Committee and member of the Audit Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee, Investment committee, Finance Committee and Innovation and Best Practices Committees of the Company.

Presently she serves as Director on the Boards of DCM Shriram Industries Limited, Apollo Hospitals Enterprise Limited, ABI Showatech (India) Limited, Bharat Biotech Limited, Centum Electronics Limited, V Ramakrishna Sons Private Limited, KCP Vietnam Industries Limited, Velagapudi Foundation and Chennai Willingdon Corporation Foundation.

She is a Member of Young Presidents' Organization (YPO) Tamilnadu Chapter, Vice President of World Telugu Federation (WTF) and was the President of FICCI Ladies Organization (FLO), Vice Chairman of SCWEC, India, Chairperson of FICCI Tamil Nadu State Council and was the President of Madras Management Association (MMA).



Sri. V.H. Rama Krishnan
DIN: 00143948
Independent Director

Sri. V. H. Ramakrishnan is a qualified Chartered Accountant and a Cost Accountant and has extensive experience spanning over 35 years in both domestic and international banking with his long stint with Bank of India (BOI), from where he retired as the General Manager. During his tenure at BOI, he headed various departments such as International Operations, Comptrollers Department, Treasury and Subsidiaries. He also has significant international banking exposure, first as Manager Nairobi Branch and then as Executive Director of Allied Bank of Nigeria Ltd. Post retirement he was a Shareholders' Director in Andhra Bank for 6 years from 2006-12. He was also a director in a few companies as Nominee of UTI and IDBI. Canara Bank had also appointed him as a director in their Joint Venture Canara Rebeco AMC Ltd for a period of about 4 years. He is also an independent director of Sagar Cements Ltd.

Sri. V.H. Ramakrishnan is the Chairman of Nomination and Remuneration Committee, Member of Audit Committee, Investment Committee and Stakeholders Relationship Committee and Corporate Social Responsibility Committees of the Company.



Sri. Vijay Sankar
DIN: 00007875
Independent Director

Sri Vijay Sankar is a qualified Chartered Accountant and also holds a Masters in Business Administration from the J L Kellogg Graduate School of Management, Northwestern University, USA.

Sri Vijay Sankar is the Chairman of Chemplast Sanmar Limited and the Deputy Chairman of The Sanmar Group.

Sri Vijay Sankar also serves on the Boards of Oriental Hotels Limited, Kaveri Retreats & Resorts Ltd. and Transport Corporation of India Limited.

Sri. Vijay Sankar is the Honorary Consul General of Denmark in Chennai with jurisdiction over the States of Tamil Nadu, Andhra Pradesh, Telangana, Kerala, Karnataka and the Union Territory of Puducherry.

Sri.Vijay Sankar is a Member of Audit Committee, Stakeholders Relationship Committee, Investment Committee, Nomination and Remuneration Committee, Innovation and Best Practices Committee, Finance Committee, Risk Management Committee and Corporate Social Responsibility Committees of the Company.



DIN: 03319847
Independent Director

Sri. M. Narasimhappa holds a Masters Degree in Economics from Sri. Venkateswara University, Tirupathi. He served in various capacities in the Indian Revenue Service (IRS) like Joint Commissioner, Additional Commissioner, Commissioner of Income Tax and retired as Chief Commissioner of Income Tax.

He has received awards for Excellence in Tax Administration from Management Association of Pune (2009) and Delhi Telugu Academy (2004). He served as the Chairman, Board of Directors of Eesavyasa Technologies (P) Limited, Independent Director of Eesavyasa Agrotech (P) Ltd. and Vijay Nirman (P) Limited. He is presently serving as Independent Director on the Boards of Amara Raja Power Systems Ltd., Endiya Trust Pvt. Ltd, OHM Organic Farming Pvt. Ltd.

Sri. M. Narasimhappa is the Chairman of Innovation and Best Practices Committee and Member of Audit Committee, Investment Committee, Nomination and Remuneration committee and Stakeholders relationship committees of the company.



Sri. P.S. Kumar
DIN: 00267280
Independent Director

Sri.P.S. Kumar, holds a Bachelor degree in commerce from University of Madras and is a member of the Institute of Chartered Accountants in England and Wales (ICAEW) and Institute of Chartered Accountants of India, Mr. Kumar is a practicing Chartered Accountant and is the Managing partner of Brahmayya & Co., Chartered Accountants, Bengaluru.

Sri. Kumar served as President of Andhra Chamber of Commerce, Chennai and serving currently as a member of the Executive Committee. He is currently a Member of the Executive Committee of the International Chamber of Commerce (Indian Branch), New Delhi.

He is the Chairman of the Board of Directors of Sri Sarvaraya Sugars Ltd.

Sri. Kumar serves as the Chairman of the Audit Committee, Stakeholders Relationship Committee and Member of Investment committee, Nomination and Remuneration Committee, Innovation and Best Practices Committee, Finance committee, Risk Management committee, Corporate Social Responsibility Committees of the company.



Smt. Janaki Pillai
DIN: 08713712
Independent Women Director

Smt. Janaki Pillai is a B.A. (Hons) in Economics from Lady Shriram College, New Delhi. She has Special Graduate Diploma in Development Law & Social Justice from the Institute of Social Studies, The Hague and she has Doctor of Philosophy (Phd) in Sociology from Jawaharlal Nehru University, New Delhi.

Smt. Janaki Pillai has worked as lecturer in Department of sociology at Stella Marris College, Chennai.

She is currently the Director-Programmes, Ability Foundation and English Language Trainer, British Council, Chennai.

She is a member of Corporate Social Responsibility (CSR) Committee of the Company.



Dr. Subbarao Vallabhaneni
DIN: 008746927
Non-Executive Director

Dr. Subbarao Vallabhaneni MD FACS, US National is a physician by profession.

He has received MBBS degree from Andhra University and Completed residency in General Surgery at ST. Joseph's Hospital and Medical Center in Paterson, NJ.USA. the Board Certified him in General Surgery and became a fellow of the American College of Surgeons.

He was in private practice during the years 1977 – 2008 and afterwards retired from the Practice.



Sri. V. Chandrakumar Prasad
DIN: 008744154
Non-Executive Director

Sri V. Chandrakumar Prasad, US national has a B.S. in Chemistry from Loyola College, Chennai and M.S. in Management Science (Chemical Engineering, Economics, Finance and Industrial Psychology) from Stevens Institute of Technology, New Jersey (USA).

He worked with Buitoni Foods (Head quartered in Italy) from 1969 and held various positions from engineering project team leader to Director of procurement and was instrumental in building 3 green field factories for Buitoni Foods in USA; handling a capital spend of \$200 million.

On acquisition of Buitoni by NESTLE, Switzerland; Mr. Prasad joined them as a Corporate project Engineer and Strategic procurement Manager for North America.

His expertise is in line layouts, balancing, creating standards, safety, risk, root cause analysis, reducing waste, forming teams, cost savings, etc.

Mr. V. Chandrakumar Prasad is also a Director on the Board of Directors of Fives Cail KCP Limited. He is a member of Risk Management Committee of the Company.



Sri. Ravi Chitturi
DIN: 00328364
Non-Executive Director

Sri. Ravi Chitturi, has a Bachelor Degree in Mechanical Engineering from College of Engineering, Anna University, Chennai and Master's Degree in Computer Science from Alabama A & M University, Huntsville, AL, USA.

He has over 35 years experience in Automotive, Banking, IT and Capital Goods Manufacturing sector with specific expertise in Portfolio & Risk Management and Manufacturing strategies.

He was the Managing Director of KCP Technologies Limited. Earlier he was a Senior Technology Analyst with Republic New York Corporation, New York.

Currently he is on the Boards of KCP Technologies Limited, BGE Engineering India Private Limited and KCP Vietnam Industries Limited.

He is a member of Risk Management Committee and Innovation and Best Practices Committees of the Company

Corporate Social Responsibility

At **KCP** we believe that Corporate Social Responsibility is a form of self-regulation that reflects a business's accountability and commitment to contributing to the well-being of communities and society through various environmental and social measures.

Over the years, the company has been focusing on sustainable business practices encompassing economic, environmental and social imperatives that not only covers our business but also the communities around us.

Our CSR initiatives include education, healthcare, sustainable livelihoods, women empowerment, rural infrastructure development among others around our areas of operations.

Education

Education is the backbone of every society, but what matters the most is quality education, COVID-19 has greatly disrupted access to education in India,

The company contributed to CSR towards education infrastructure development and has undertaken a wide range of initiatives towards the promotion of quality education.



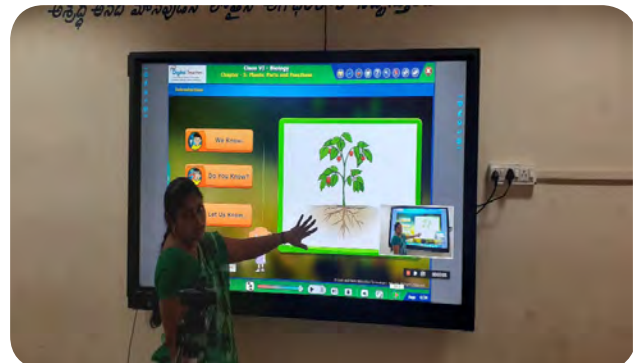
In continuation of our support to Muktyala village Pre-primary school, we distributed Text books and Note books to LKG and UKG students and also provided funds for setting up of two interactive digital classrooms.

The Company has provided a school bus to facilitate transport of students from Muktyala village to attend the

schools in Jaggaiahpetta town with minimum charges, to pursue their higher education.



KCP is committed in bridging the digital divide in schools and has set up Digital Classrooms in Kids Patasala at Macherla, which is a concept of enjoyable learning for students and also a demonstration of interactive teaching methods for teachers.



The implementation of digital learning solutions in rural areas will also help in unleashing the potentials and talents of the students, an employed youth who do not get right exposure to the right content & resources in their education journey.



During the year the company contributed to CSR by way of Village Knowledge Centre (VKC) in Muktyala.

As part of Skill development programme of Government of India, to empower the unemployed youth with adequate skill sets that will enable their employment in relevant sectors.



At VR Polytechnic College, Thiruvottiyur, we have set-up a Skill Development Centre to offer free training to marginalized students and unemployed youth.



During the year we further Supported VR Polytechnic College, Thiruvottiyur for renovation of their buildings and other development activities.



KCP has further supported the activities of Sri.V.Ramkrishna Hr. Secondary school Tiruvottiyur, by providing Computers, Tables, Chairs, Dual desks, lab equipment and also Constructed additional class rooms, toilets and provided drinking water facility.



Health and Wellness

The company is also committed to enhancing access to quality and affordable healthcare in our areas of operations and community healthcare remains one of our core focus areas.

During the year we organized various medical camps including eye check-up camps, vaccination camps, blood donation camps, cancer awareness camps for women free of cost to promote healthy living across communities.

Awareness sessions were organized for Muktyala village people on lifestyle disorders like Diabetes in Men and Women by following all Covid -19 precautions.





During the year In association with Maxi vision Super specialty Eye hospitals, Vijayawada, we organized free eye camp for the benefit of people from Muktyala and surrounding villages and we further supported the patients with Spectacles and surgeries for needy patients.



The company contributed to CSR towards Preventive and Public Healthcare Initiatives.

The multiple waves of the pandemic during the year severely impacted health and livelihoods across the country, especially those of the poor and vulnerable sections of the society.

Your Company not only aided the Government's efforts but also proactively took a host of actions by providing support to ensure regular oxygen supply in hospitals and Installed two PSA oxygen generation plants (15 NM³/HR, 250 Lpm and 30 NM³/HR, 500 LPM) in Govt. Hospital, Nandigama, Krishna (NTR) Dist. and Govt. Hospital Narasaraopet, Guntur (Palnadu) Dist. Andhrapradesh.



During the year we supported the Mini Covid Centre at Macherla with Life Support Equipment Comprising Three Nos. of BIPAP– Noninvasive Ventilators, 50 BIPAP Facemasks, Non-Rebreather masks.



As part of our initiative for improving the health status of the communities, rest rooms constructed in Community Health Centre, Macherla for Covid patients and have continued preventive measures for COVID 19 by spraying disinfectants (Soidum Hypochlorite & Bleaching water) in Muktyala, Srinivassa Nagar and K. Agraharam villages.



KCP has supported the pulse Polio immunisation programme in association with Rotary club of

Macherla in rural villages of Macherla, Veldurthi and Durgi mandals along with Macherla town by arranging food, vehicles for vaccination team.



We also supported the Children Living with HIV (CLHIV) through LEpra Society for providing supplementary Nutrition food and other medical emergencies.



During the year we supported Lepra Society for establishing Customized foot care unit in Jaggayyapet town.

Environment:

Plantation of saplings has been a regular activity at KCP, we not only plant saplings around our operation sites but also ensures their survival by erecting tree guards and carefully nurtures them till the sapling matures into a tree.



On 14th September, 2021 (our CMD birthday), which is being celebrated as KCP Environmental Day, we planted 200 Nos. of saplings around our Terala Mines and 300 saplings in Macherla and surrounding areas.



As part of Grater Chennai Corporation's (GCC) Green environment campaign our management and HE team members actively participated in Plantation program and have planted 200 saplings along with tree guards in the banks of Buckingham canal, Thiruvottiur.



As a part of Smart village development and to preserve the environment in a sustainable and responsible way, we are continuing the maintenance of Muktyala public Park.

Swachh Bharat initiatives

The company contributed to CSR towards Development of Rural Infrastructure and other Development Initiatives.

We engaged three Tri cycle rickshaws, a six-member team for collecting dry and wet garbage from each house of Muktyala village and made arrangement for dumping the same at designated place on daily basis.



Macherla and surrounding villages, extensively benefitting the local population.



Other Activities:



On the eve of Maha Shivaratri festival, we provided free RO drinking water dispensing counters and also distributed drinking water to the devotees.



KCP has always supported the community in around its operations in getting adequate access to clean drinking water. In addition to providing safe drinking water through tankers as a move towards permanent solution for Drinking water, we installed and also running Reverse Osmosis (RO) plants in Muktyala,



Directors' Report

Dear Shareholders,

Your directors take pleasure in presenting their 81st Annual Report of the company together with the Audited Financial Statements for the financial year ended 31st March, 2022.

1. Statement of affairs of the Company:

The performance of the business is detailed out in the Management Discussion and Analysis Report, which forms part of the Annual Report

2. Financial Performance:

(Rs in Lakhs)

Particulars	Stand Alone		Consolidated (Group)	
	31-03-2022	31-03-2021	31-03-2022	31-03-2021
Revenue from Operations	1,58,436	1,29,488	2,10,821	1,69,253
Profit (EBIDTA)	27,883	32,859	41,283	39,028
Less: a) Interest and Finance Charges	3,158	4,242	3,385	4,637
b) Depreciation	6,517	6,942	8,706	9,171
Profit before Tax	18,208	21,675	29,192	25,220
Tax	5,278	6,343	5,278	6,343
Profit After Tax from Continuing Operations	12,930	15,332	23,914	18,877
Profit / (Loss) from Discontinued Operations	-	-	-	-
Less : Tax of Discontinued Operations	-	-	-	-
Profit / (Loss) from Discontinued Operations After Tax	-	-	-	-
Profit After Tax	12,930	15,332	23,914	18,877
Add : Share of Profit from Joint Vetur	-	-	52	(381)
Less : Non-Controlling Share of Profit	-	-	5,152	2,198
Profit / (Loss) after Non controlling interest	12,930	15,332	18,814	16,299
Other Comprehensive Income (OCI)	70	100	2,865	(681)
Add : Share of OCI from Joint Vetur	-	-	(7)	14
Less : Non-Controlling Share of OCI	-	-	955	(291)
OCI after Non controlling share	70	100	1,903	(376)
Total Comprehensive Income (TCI)	13,000	15,433	26,824	17,829
Less : Non-Controlling Share of TCI	-	-	6,108	1,906
Total Comprehensive Income after minority interest	13,000	15,433	20,717	15,923

3. Summary of Company's Operational and Financial performance:

- The consolidated revenue from operations increased from Rs. 1,69,253 Lakhs to Rs.2,10,821 Lakhs.
- The consolidated profit before tax was Rs.29,192 lakhs against Rs.25,220 lakhs of previous year.
- The consolidated profit after tax was Rs.23,914 lakhs against Rs.18,877 lakhs of previous year.

4. Dividend

The Board of Directors have recommended dividend of Re. 1/- per Equity Share of Re. 1/- for the year ended March 31, 2022, subject to approval of the Shareholders at the ensuing 81st Annual General Meeting of the Company. The Dividend, if declared by the Shareholders will be paid on or after Thursday August 25, 2022.

In terms of the provisions of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("the Listing Regulations"), the Company has formulated a Dividend Distribution Policy.

The recommended dividend is in line with our Company's dividend policy, which is available on the Company's website <http://www.kcp.co.in/downloads/investor/corporate-governance/Dividend-Distribution-policy.pdf>

5. Transfer to Reserves

The Company has not transferred any amount to the Reserves for the year ended 31st March, 2022.

6. Share Capital

The Company's paid-up equity share capital continues to stand at 12,89,21,160 as on 31st March, 2022.

During the year under review, the Company has not issued any shares or convertible securities. The Company does not have any scheme for the issue of shares, including sweat equity to its Employees or Directors.

7. Financial liquidity

Consolidated cash and cash equivalent as on 31st March, 2022 stood at Rs. 382.78 Lakhs and Rs.309.13 Lakhs in the previous year. The Company's working capital management is robust and involves a well-organized process, which facilitates continuous monitoring and control over receivables, inventories and other parameters.

8. Credit Rating

CRISIL, a reputed rating agency, has given the credit rating of A+/ STABLE for the long-term and A1 for the short-term financial instruments of the Company. This reaffirms the reputation and trust the Company has earned for its sound financial management and its ability to meet its financial obligations.

Facility	Period	Rated Value Crores (Rs.)	Rating assured
Total Bank loan facility	Long-term Rating	579.96	CRISIL A+ / Stable (Upgraded from "CRISIL A/Stable")
	Short-term Rating		CRISIL A1 (Reaffirmed)
Fixed Deposits	-	125.00	F AA-/ Stable (Upgraded from "FA+/ Stable") and further migrated to CRISIL A+ / Stable.

9. Deposits from Public:

The total amount of Deposits outstanding as on 31st March, 2022 was Rs.8,554.11 Lakhs as against Rs.8,507.33 Lakhs outstanding on 31st March, 2021. Deposits matured and unclaimed was Rs.458.85 Lakhs from 360 depositors. Out of the said matured and unclaimed deposits, the company has renewed Deposits of Rs.128.43 Lakhs and Rs.14.09 Lakhs deposits repaid as on the date of the report.

Depositors are intimated about the maturity of deposits with a request to either renew or claim their deposits. As per the provisions of Section 125 of the Companies Act, 2013 read with relevant Rules, deposits remaining unclaimed for a period of seven years from the date of maturity for payment have to be transferred to the Investor Education and Protection Fund (IEPF)

established by the Central Government. Accordingly, during the year, an amount of Rs.0.88 Lakhs towards unclaimed deposits and Rs.0.50 Lakhs towards Stale cheque unclaimed on deposits has been transferred to the IEPF.

10. Particulars of Loans, Guarantees and Investments

The Company has No Loans, Guarantees and Investments covered under the provisions of Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014.

11. Management Discussion and Analysis Report

Pursuant to Regulation 34 of the Listing Regulations, the Management Discussion and Analysis Report for the year under review, is presented in a separate section, forming part of the Annual Report.

12. Particulars of Contracts or Arrangements with Related Parties:

The Company has developed a Related Party Transactions Manual and Standard Operating Procedures for the purpose of identification and monitoring Related Party transactions.

All transactions with Related Parties are placed before the Audit Committee as also the Board for approval.

Prior omnibus approval of the Audit Committee and the Board is obtained for the transactions which are foreseeable and of a repetitive nature. The transactions entered into pursuant to the approvals so granted are subjected to audit and a statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors on a quarterly basis.

The details of contracts or arrangements entered with the related parties along with the Justification is provided in Form AOC 2 as **Annexure- 6** of this report.

There were no materially significant related party transactions with Promoters, Directors, Key Managerial Personnel or other designated persons, which may have a potential conflict with the interest of the Company at large.

The policy on Related Party Transactions as approved by the Board may be accessed on the Company's website at www.kcp.co.in.

No whole time Director or Managing Director of the company is in receipt of any salary or Commission from Subsidiary company in terms of Section 197(4) of the Companies Act, 2013.

13. Corporate Social Responsibility (CSR)

As part of its initiatives under "Corporate Social Responsibility (CSR), the Company has undertaken projects in the areas of Education, Livelihood, Women empowerment, Health, Water and Sanitation. These projects are largely in accordance with Schedule VII of the Companies Act, 2013.

The Company is committed to identifying and supporting programmes aimed at:

- Empowerment of the disadvantaged sections of the society through education, healthcare, drinking water & sanitation and eradicating hunger and poverty, through livelihood generation and skill development;

- Supporting environmental and ecological balance through afforestation, soil conservation, rain water harvesting.
- Undertake rural development projects;

The Company has constituted CSR Committee in accordance with Section 135 of the Companies Act, 2013. The CSR Committee has formulated and recommended to the Board, CSR Policy indicating the activities to be undertaken by the Company, which has been approved by the Board. The CSR Policy may be accessed on the Company's website at www.kcp.co.in.

The Company's CSR Policy as stated earlier is in alignment with the requirements of the Act. The CSR Policy Statement and Report on the activities undertaken during the year is annexed to the Board's Report as **Annexure 3**.

Details of various social projects and initiatives undertaken as part of our Corporate Social Responsibility are given in report on CSR activities which forms part of this Annual Report.

14. Risk Management

The Company has a robust Risk Management framework to identify, evaluate business risks and opportunities.

This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage.

The business risk framework defines the risk management approach across the organization at various levels, including documentation and reporting.

The Board of Directors of the Company has formed a Risk Management Committee to monitor the risk management plan for the Company and ensuring its effectiveness. The key risks identified by the Company and their mitigation measures are as under:

Raw Materials: Limestone being one of the primary raw materials used in the manufacture of cement, it is imperative for the Company to ensure its uninterrupted long-term availability.

Most of the Company's mining leases extended up to March 31, 2052 thereby ensuring adequate limestone reserves to cater to the requirements of its plants till the said date, whereafter the Company will have to participate in auctions.

To address the above risks, the Company would like to participate in auctions with a view to secure new mining leases for its existing plants as well as

for its expansions at different locations as and when necessary.

Market Competition: The cement industry is witnessing a significant imbalance in its total installed capacity vis-a-vis the capacity utilization. Despite the capacity overhang, capacity expansion still continues, resulting in intense competition and adverse impact on the Company's market share, sales volume and profitability.

Cyber Security: With increased reliance on IT systems and the widespread usage of internet for doing business there is a constant threat to the Company's sensitive data assets being exposed to unethical hacking and misuse. The ramifications from cyber-attacks may not only be confined to mere loss of data but may result in business and reputation loss.

The Indian Government having recognized the cyber risks, has also introduced tighter Cyber Security laws. Responsibilities have been entrusted to the Directors of the Company under the Companies Act, 2013 to take appropriate steps to ensure cyber security.

The Company's cyber security management framework aligns with industry standards and regulations.

The Company has adequate processes and systems in place to review on a regular basis the cyber security risk.

Legal Risks: The risks arising out of pending legal cases are reviewed on a regular basis by the Board from the perspective of probability of imposition of heavy penalty or receiving adverse orders which could have a high financial and/or reputational impact on the Company.

All-important cases are being closely monitored by the Company and a broad strategy is outlined for effective management of litigation related risks.

Financial risk:

The financial risk for our Company emanates from fluctuations in interest rate, exchange rate and commodity prices. Our Company has well defined policies for foreign exchange, treasury investments, interest rate and imported coal hedging. The policies are reviewed periodically to align with the changes in financial market practices and regulations.

The Company has formulated a Risk Management Policy, which is available on company website www.kcp.co.in.

15. Internal Control Systems

The Company's internal financial controls are commensurate with the scale and complexity of its operations.

The controls were tested during the year and no reportable material weaknesses either in their design or operations were observed. The Company has put in place robust policies and procedures, which inter alia, ensure integrity in conducting its business, safeguarding of its assets, timely cementing relationships through Sustainability, Innovation and Inclusivity Integrated Report Statutory Reports Financial Statements preparation of reliable financial information, accuracy & completeness in maintaining accounting records and prevention & detection of frauds and errors.

16. Vigil Mechanism/ Whistle-blower Policy

Over the years, the Company has established a reputation for doing business with integrity and maintained zero tolerance for any form of unethical behavior.

Whistle-blower Policy is the vigil mechanism instituted by the Company to report concerns about unethical behavior in compliance with the requirements of the Act and the Listing Regulations.

The Audit Committee oversees the functioning of this policy.

Protected disclosures can be made by a whistle-blower through several channels to report actual or suspected frauds and violation of the Company's Code of Conduct.

Details of the Whistle-blower Policy have been disclosed on the Company's website.

17. Subsidiary, Associate and Joint venture companies

Subsidiary Company:

Our Company does not have any Indian Subsidiary company.

KCP Vietnam Industries Limited, Vietnam is the material subsidiary as per the thresholds laid down under the SEBI Listing Regulations.

The Board of Directors of the Company has approved a Policy for determining material subsidiaries in line with the SEBI Listing Regulations as amended and the Policy has been uploaded on the Company's website.

The Audit Committee and Board review the financial statements, significant transactions, working and the financial results of the subsidiary company in Vietnam, KCP Vietnam Industries Limited.

There is no material change in the nature of the business of the subsidiary.

Pursuant to the provisions of Section 129(3) of the Act, a statement containing the salient features of financial statements of the Company's subsidiaries in Form No. **AOC-1** is attached to the financial statements of the Company as **Annexure 5**.

No company ceased to be its Subsidiary, joint venture or associate company during the year

In terms of provisions of Section 136 of the Companies Act, 2013, separate audited accounts of the subsidiary companies shall be available on its website at www.kcp.co.in.

The Company will make available physical copies of these documents upon request by any shareholder of the Company interested in obtaining the same.

Joint venture

Our company has a joint venture company Fives Cail KCP Limited.

18. Extract of Annual Return

Pursuant to the provisions of Section 134(3)(a) and Section 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return of the Company for the Financial Year March 31, 2022 is uploaded on the website of the Company and can be accessed at <http://www.kcp.co.in/agm-reports.html>.

19. Human resources / industrial relations

Our Company continuously focus on people related programmes aimed at attracting, developing and retaining talent within organisation by way of:

- a) Employee Engagement - Company enjoys high engagement levels from its employees which is reflected in its consistently improving performance. Company continuously aims to enhance the engagement levels of its people by ensuring that its business practices are in alignment with the holistic growth and development of its people which drives them to be actively engaged with the Company.
- b) Talent Management - Company is continuously working on strengthening and building talent in

its Human Resources management team for supporting its growth.

- c) Work Environment - Company provides a congenial work atmosphere where every employee enjoys his work and It works on creating people practices which makes it the best place to work for everyone.
- d) Occupational Health and Safety

Safety of employees and workers is of utmost importance to the Company. To reinforce the safety culture in the Company, it has identified occupational Health & Safety as one of its focus areas. Various training programmes have been conducted at the plants.

The Company continuously undertakes initiatives aimed at providing a healthy and safe workplace to its people.

Company regularly conducts Safety Audit to identify and eliminate potential safety risks through an objective assessment of various equipment. Further, Mock drills on emergency preparedness are conducted to meet any contingency.

Industrial Relations

Employee Relations at all the Units and divisions of the company remained cordial.

20. Board of Directors & Key Managerial Personnel

Board of Directors

A. Appointments/ Re-appointments

In terms of Section 152 of the Act, Sri. V. Chandra Kumar Prasad (DIN: 008744154), Non-Executive Non-Independent Director retires by rotation and being eligible, offers himself for re-appointment. A resolution seeking shareholders' approval for his re-appointment along with other required details forms part of the Notice.

In terms of Section 152 of the Act, Dr. Subbarao Vallabhaneni (DIN: 008746927), Non-Executive Non-Independent Director, retires by rotation and being eligible, offers himself for re-appointment. A resolution seeking shareholders' approval for his re-appointment along with other required details forms part of the Notice.

In terms of Section 152 of the Act, Sri. Ravi Chitturi (DIN: 00328364), Non-Executive Non-Independent Director, retires by rotation and being eligible, offers himself for re-appointment. A resolution seeking

shareholders' approval for his re-appointment along with other required details forms part of the Notice.

The relevant details including profiles of Directors retiring by rotation and seeking re-appointment are included separately in the Notice of AGM.

The Board recommends their re-appointments for consideration of the members at the ensuing AGM of the Company.

B. Cessation

There was no instance of resignation/ cessation of Directorship during the year under review.

21. Key Managerial Personnel ('KMP')

There is no change in the KMP of the Company during the financial year ended on 31st March, 2022 and the KMP of the Company are as under:

1. Dr.V.L. Indira Dutt
Chairperson & Managing Director
2. Smt.V. Kavitha Dutt
Joint Managing Director
3. Sri.G.N. Murty
Chief Financial Officer
4. Sri.Y. Vijayakumar
Company Secretary

22. Independent Directors

Pursuant to the provisions of Section 149 of the Act, the independent directors have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations.

There has been no change in the circumstances affecting their status as independent directors of the Company. During the year under review, the non-executive, independent directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and reimbursement of expenses, if any.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise in the fields of manufacturing, finance, strategy, auditing, tax and risk advisory services, infrastructure, banking, and they hold high standards of integrity.

Regarding proficiency:

The Company has adopted requisite steps towards the inclusion of the names of all Independent Directors in the data bank maintained with the Indian Institute of Corporate Affairs, Manesar ('IICA').

Accordingly, all the Independent Directors of the Company have registered themselves with IICA for the said purpose. In terms of Section 150 of the Act read with the Companies (Appointment & Qualification of Directors) Rules, 2014 as amended, since all the Independent Directors of the Company except Smt. Janaki Pillai (independent Women Director) have served as Directors for a period of not less than three (3) years on the Board of Listed Companies as on the date of inclusion of their names in the database, they are not required to undertake online proficiency self-assessment test conducted by the said Institute and Smt. Janaki Pillai has appeared and cleared the proficiency test.

23. Remuneration policy and criteria for selection of candidates for appointment as Directors, KMP and Senior Management positions

The Company has in place a policy for remuneration of Directors and KMP as well as a well-defined criterion for the selection of candidates for appointment to the said positions, which has been approved by the Board.

The Policy broadly lays down the guiding principles, philosophy and the basis for payment of remuneration to the Executive, Non-Executive Directors (by way of sitting fees and commission) and KMP.

The criteria for the selection of candidates for the above positions cover various factors and attributes, which are considered by the Nomination & Remuneration Committee and the Board of Directors while selecting candidates.

24. Number of meetings of the Board

Five meetings of the Board were held during the year.

For details of meetings of the Board, please refer to the Corporate Governance Report, which is a part of this report.

25. Board effectiveness

a) Familiarization programme for Independent Directors

Over the years, the Company has developed a robust familiarization process for the newly appointed Directors with respect to their roles and responsibilities, way ahead of the prescription of the regulatory provisions.

The process has been aligned with the requirements under the Act and other related regulations. This process inter alia includes providing an overview of the industry, the Company's business model, the risks and opportunities, the new products, innovation, sustainability measures, digitization measures etc.

Details of the familiarization programme are explained in the Report on Corporate Governance and are also available on the Company's website.

b) Formal annual evaluation

The Board carries out its annual performance evaluation of its own performance, the Directors individually, as well as the evaluation of the working of its Audit, Nomination & Remuneration, Risk Management, Stakeholders' Relationship and CSR Committees as mandated under the Act and the Listing Regulations, as amended from time to time.

The criteria applied in the evaluation process are explained in the Report on Corporate Governance, which forms part of the Annual Report.

Board evaluation

The performance of the board was evaluated by the Board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

In a separate meeting of independent directors, the performance of non-independent directors, the Board as

a whole and Chairman of the Company was evaluated, taking into account the views of executive directors and non-executive directors.

26. Disclosure on Audit Committee

The Audit Committee as on March 31, 2022 comprises of the following Members:

Sri. P.S. Kumar (Chairman), Smt. V. Kavitha Dutt, Joint Managing Director, Sri V.H. Ramakrishnan, Sri. Vijay Sankar, and Sri. M. Narasimhappa are the members of the committee.

All recommendations of Audit Committee were accepted by the Board of Directors.

27. Statutory Auditors

Pursuant to the provisions of Section 139 of the Companies Act, 2013, M/s. K.S. Rao & Co., Chartered Accountants, (Firm Registration No.003109S) Hyderabad were appointed as Statutory Auditors of the to hold office from the conclusion of the 80th Annual General Meeting until the conclusion of 85th Annual General Meeting of the company.

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

28. Cost Auditors and their Report

As per Section 148 of the Companies Act, 2013 read with Rules framed there under, the Board has appointed M/s Narasimha Murthy & Co, Cost Accountants, Hyderabad and S. Mahadevan & Co, Cost Accountants, Chennai, as the Cost Auditors for the Cement and Engineering units respectively for the year 2021-22. They were re-appointed as Cost Auditors for the financial year 2022-23 to conduct cost audit of the accounts maintained by the Company in respect of the various products prescribed under the applicable Cost Audit Rules.

The remuneration of Cost Auditors has been approved by the Board of Directors on the recommendation of Audit Committee. The requisite resolution for ratification of remuneration of Cost Auditors by members of the Company has been set out in the Notice of ensuing annual general meeting. The Cost Auditors have certified that their appointment is within the limits of Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified from appointment within the meaning of the said Act.

The Cost Audit Report for the financial year 2020-21, of M/s Narasimha Murthy & Co, Cost Accountants, Hyderabad and Mahadevan & Co, Chennai as the Cost Auditors, in respect of the various products prescribed under Cost Audit Rules was filed with the Ministry of Corporate Affairs within the due date.

29. Secretarial Auditors and their Report

Pursuant to the provisions of Section 204 of the Act and Rules made thereunder, the Company had appointed Smt. Sobana Pranesh (FCS No: 9825, CP No. 2403) to undertake the Secretarial Audit of the Company for FY 2021-22. The Secretarial Audit Report is annexed in Form No. **MR-3** and forms an integral part of this Report. The Secretarial auditor has not expressed any qualification in her Secretarial Audit report for the year under review.

Pursuant to Regulation 24A of Listing Regulations read with SEBI Circular No. CIR/CFD/CMD1/27/2019 dated February 08, 2019, the Annual Secretarial Compliance Report of the Company forms part of this Report and is uploaded on the website of the Company i.e. www.kcp.co.in.

The Board of Directors at their meeting held on May 18, 2022 has appointed Smt. Sobana Pranesh (FCS No: 9825, CP No. 2403) as the Secretarial Auditor for FY 2022-23.

Details in respect of frauds reported by Auditors other than those which are reportable to the Central Government

The Statutory Auditors, Cost Auditors or Secretarial Auditors of the Company have not reported any frauds to the Audit Committee or to the Board of Directors under Section 143(12) of the Companies Act, 2013 and rules made there under.

30. Corporate Governance

The Board of Directors reaffirm their continued commitment to good corporate governance practices. During the year under review, the Company complied with the provisions relating to corporate governance as provided under the Listing Regulations. The compliance report together with a certificate from the Company's auditors confirming the compliance is provided in the Report on Corporate Governance, which forms part of the Annual Report.

31. Business Responsibility and Sustainability Report (BRSR)

In terms of amendment to regulation 34 (2) (f) of SEBI (LODR) Regulations, with effect from the financial year

2022-2023, filing of BRSR shall be mandatory for the top 1000 listed companies (by market capitalization) and shall replace the existing BRR. Filing of BRSR is voluntary for the financial year 2021-22.

As we are in top 1000 listed companies (by market capitalization) For FY 2021-22, we are submitting the BRSR voluntarily.

32. Compliance with Secretarial Standards

The Board of Directors affirms that the Company has complied with the applicable Secretarial Standards ('SS') issued by the Institute of Company Secretaries of India (SS1 and SS2), relating to Meetings of the Board and its Committees and General Meetings respectively, which have mandatory application during the year under review.

33. Prevention of Sexual Harassment of Women at the Workplace

KCP is an equal employment opportunity Company and is committed to creating a healthy working environment that enables employees to work without fear of prejudice and gender bias.

As an organization, the Company is committed to ensure that every employee is treated with dignity and respect and works in a conducive work environment, which promotes professional growth of employee and encourages equality of opportunity. The Company has zero tolerance towards any act on the part of any employee, which may fall under the ambit of 'sexual harassment' at workplace, and is fully committed to uphold and maintain the dignity of every woman employee working in the Company.

The Company has formulated a comprehensive policy on prevention, prohibition and redressal against sexual harassment of women at workplace, which is also in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ('POSH'). The said policy has been made available on the internal portal of the Company as well as the website of the Company.

There were no complaints reported during the year

34. Transfer to the Investor Education and Protection Fund

The Unpaid/ unclaimed dividend for seven (7) years or more has to be transferred to the IEPF pursuant to the requirements under the Act.

Further according to the Rules, the shares in respect of which dividend has not been en-cashed by the shareholders for seven consecutive years or more shall also be transferred to IEPF Authority.

Details of which are provided on our website, at <http://http://kcp.co.in/downloads/investor/shareholders-information/unclaimed-dividend.xls>

35. Particulars of Employees

The information required under Section 197(12) of the Companies Act, 2013 and the rules made there under, as amended, has been given in the annexure appended hereto and forms part of this report as **Annexure 1**.

None of the employees listed in the said Annexure is a relative of any Director of the Company. None of the employees hold (by himself or along with his spouse and dependent children) more than 2 (two) percent of the Equity Shares of the Company.

a) The ratio of the remuneration of each director to the median employee's remuneration for the financial year and such other details as prescribed is as given below:

Director	Director Remuneration (Rs in Lakhs)	Median Employee's Remuneration (Rs in Lakhs)	Ratio
Dr. V.L. Indira Dutt Chairperson and Managing Director	778.81	5.63	138.33
Smt. V. Kavitha Dutt Joint Managing Director	584.11	5.63	103.75

- b) The percentage increase/ (decrease) in the median remuneration of employees in the Financial Year: **(.006%)**
- c) The number of permanent employees (Management staff) on the rolls of company: **634**
- d) Is remuneration is as per the remuneration policy of the company: **Yes**

36. Significant and Material orders passed by the Regulators or Courts

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

37. Conservation of energy, technology absorption, foreign exchange earnings and outgo

The particulars relating to conservation of energy, technology absorption, research and development, foreign exchange earnings and outgo as required to be disclosed under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are given in **Annexure- 2** to this Report.

38. Other Disclosures

- There were no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this report.
- The Company has not issued any shares with differential voting rights/ sweat equity shares.
- There was no revision in the Financial Statements.
- There has been no change in the nature of business of the Company as on the date of this report.
- There are no proceedings, either filed by KCP or pending under the Insolvency and Bankruptcy Code, 2016 as amended, before National Company Law Tribunal or other courts during the year 2021-22.

39. Director's Responsibility Statement

To the best of knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 134(3)(c) of the Act:

- that in the preparation of the Annual Accounts for the year ended March 31, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of the profit of the Company for the year ended on that date;
- that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets

of the Company and for preventing and detecting fraud and other irregularities;

- (iv) the annual accounts have been prepared on a going concern basis;
- (v) that the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (vi) that the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Acknowledgements

The Board of Directors wishes to place on record their gratitude to the Central Government, State Governments, Company's Bankers, Customers, dealers and other business associates for the assistance, co- operation and encouragement they extended to the Company. Your directors wish to whole heartedly thank the employees for their sincere and devoted contribution to the company's continued performance. Your directors are thankful to the shareholders and deposit holders for their continued patronage.

For and on behalf of the Board of Directors

Place: Chennai
Date: May 18, 2022

Dr. V.L. Indira Dutt
Chairperson & Managing Director

Management Discussion and Analysis

Overview:

The financial Year 2021-22 continues to be good to the economy as well as Cement, Hospitality, Power segments of the Company, though the profit levels could not be sustained at 2020-21 levels due to cost pressures.

Global & Indian Economy:

Uncertainty around the economic outlook is elevated, with near-term risks tilted to the downside. The downside risks are driven largely by the ramifications of the war in Ukraine and the sanctions on Russia, which can be amplified if other macroeconomic risks materialize like future pandemic waves, faster monetary policy normalization in advanced economies.

On the upside, a successful implementation of the announced wide-ranging structural reforms could increase India's growth potential in the medium- and long-term.

The growth forecasts of Indian economy for FY 2023 are in the range 7.2% by Reserve Bank of India's (RBI's) and 8.2% by the International Monetary Fund's (IMF's). The IMF, in its April World Economic Outlook report, slashed its forecast for India's FY23 GDP growth to 8.2 per cent from 9 per cent, stating that higher commodity prices will weigh on private consumption and investment.

Volatile oil & fuel prices due to International Conflict had made it difficult to predict the fiscal balancing of the country's economy.

Indian retail inflation estimated to have surged to an 18-month high in April to 7.5%, largely driven by rising fuel and food prices.

The elevated price outlook pushed the RBI - which changed its focus to price stability from growth - to hike its repo rate for the first time since 2018, lifting it 40 basis points to 4.40% in an unscheduled meeting, with more expected to follow. The move came just ahead of the U.S. Federal Reserve's 50 basis point rate hike later the same day, signifying less accommodative stance.

Cement industry in India:

The cement industry presents an intriguing picture. The Q3 (Oct-Dec 2021) saw disappointing results from most companies. This was due to a combination of several factors. Operating costs escalated sharply especially because power / energy costs shot up. The Q4 saw some demand bounce and allowed companies to raise prices and pass on costs to some extent.

During FY 2022, the rise in prices of imported coal, pet coke and crude oil against the backdrop of the international conflict, dented the margins of cement industry, substantially, as the power, fuel and freight constitute 50-55% of total expenditure incurred by cement companies.

Apart from the ever-increasing price of coal and pet coke, the cost of petroleum products like petrol and diesel prices is also increasing in the national and international markets, which very badly impacts the cost of production of raw materials of cement, Packaging materials, production, transportation and distribution cost of cement. These costs contributed to an increase of Rs 70-75 per bag of cement, especially in the last quarter of the year, for many manufacturers.

The price hikes, to some extent, moderated the dwindling margins in the later part of the year. As per one source, the retail cement prices remained elevated throughout FY22.

On demand side, as per one research report, FY21 created a low base primarily because of the Covid-19 pandemic. This, coupled with pent-up demand, has led to the reversal in the muted trend in volumes. The 20% production growth in FY22 was driven by the strong recovery witnessed especially during H1 FY22. The research further stated that demand picked up from Dec 2022 and remained strong in Q4 FY22. Along with pick up of rural housing and infrastructure, Government and commercial projects also supported institutional demand.

As per estimates of a few agencies, in FY23, cement volume growth is expected to be stable at 5-7 per cent, driven by affordable housing demand from tier-2 and tier-3 cities, along with infrastructure. However, high construction costs will limit the demand uptick.

If the obvious risks of another severe wave of the pandemic is ignored, construction should be driven by a Budget that makes it clear that the government will encourage an infrastructure push. That should feed into better cement offtake. However, the Budget also cuts allocation for MGNREGA, which may impact rural demand negatively, and in turn, this could hurt housing demand, especially in the affordable segment.

KCP's Segments' performance

CEMENT:

There was a quantum jump in the cement quantiles sold by the company. Pick-up in demand for KCP cement was evident right from the first quarter of 2022.

KCP took initiatives to enlarge its market reach by devising new logistic operations. This initiative, apart from enlarging market reach, also helped in controlling costs of transportation.

The selling prices were better than those in the Fy 2020-21, except for a few intermittent hiccups in the year FY 22.

But net margins were lower due to skyrocketing input prices like those of coal, petroleum products, packing material etc.

The coal prices which were around US\$ 80 per ton in 2021 shot up to over US\$ 400 per ton in 2022. The soaring crude prices had an impact not only on freight costs but also on other costs like packing material etc. The skyrocketing prices of other materials like steel, also had an impact on other overheads like spares, repairs & maintenance, etc.

The company could contain the reduction in profits of cement segment by substantially enhancing the volumes and by spreading to wider areas than earlier.

The performance of cement segment is as under during the 2021-22

(Amounts in Lakhs):-

Particulars	FY 2021-22	FY 2020-21
Revenue	1,48,328	1,19,717
Profit before interest & tax	18,707	23,674

Risks:

While demand is forecasted to be strong in FY23, headwinds arising out of rising cost pressure could

create some stress on the profitability of cement companies. However, due to the competitive nature of the industry, the magnitude of the price hikes driven by cost pressure remains to be seen.

Inflation is likely to remain elevated, despite the RBI's hope that it will be transitory. Energy prices are expected to continue to rule high, making life difficult since cement production is a very power-intensive process and transportation is also a serious cost.

The elevated steam coal prices are forcing power generating companies to resort to power cuts hampering the very production of cement.

The stance of RBI on interest costs could cause enhancement of finance costs, though funding the operations, per se, is not an issue.

The exchange parity between Rupee and US Dollar is also a cause of concern as the net landed prices of coal might be higher even if coal prices come down internationally.

Way forward & risk mitigation:

Owing to strong momentum in housing, infrastructure, and industrial development, the cement industry in India is likely to see an upswing in demand in FY23. It is hoped that the industry is likely to move at high single-digit growth on account of government thrust for infrastructure and strong traction in capital expenditure by the government along with several MSME schemes. The government's aim of 220 airports by 2025 could further boost the demand. There are hopes that pet-coke and coal prices are likely to moderate, once the international conflicts see some cooling.

At KCP, the packing plant, which is primarily aimed at reducing the costs was completed almost at the end of the year and full benefits could not be felt in the year. It is hoped that once the plant and the costs stabilize, the production and markets could be enhanced in areas around Chennai.

The Company continues its initiatives in reduction of logistics costs by resorting to alternatives to road transportation.

A. HEAVY ENGINEERING:

The engineering sector, being closely associated with the manufacturing and infrastructure sectors of the economy, is of strategic importance to India's economy.

Growth in the sector is driven by various sub-sectors such as infrastructure, power, steel, automotive, oil & gas etc.

In today's highly competitive and dynamic environment, market competition forces organizations to improve productivity and enhance their competitiveness.

Engineering industries need to focus and invest more on operational improvement and optimization.

A few of the challenges faced by engineering sector are, on time deliveries to customers, flow of organization from raw material receipt to finish goods dispatch, absence of overall equipment effectiveness, issues in labor productivity, customer complaints & rework, higher automation cost and absence of improvement-oriented culture.

Lack of design capability is one of the major woes of the industry.

Going forward, integrating world class manufacturing and smart manufacturing practices is an effective answer to the existing problems of the engineering domain.

Heavy Engineering Industry started looking up in the year 2021-22 with policy frame-work like reservation for domestic manufacture of a few items required for defense, production-linked incentive (PLI) scheme, relaxation of FDI norms coal mining, defense production, contract manufacturing etc.

Despite the fact that Index of Industrial production Index (IIP) showing a healthy growth of the industry by over 13% up to middle of Q4 FY22, the net profits of many companies in the segment continues to languish at discouraging levels.

Like the country, Heavy Engineering unit of the KCP Ltd is also facing many constraints like abnormal increase in prices of input material like steel, spares, steel scrap etc which are major material required for the unit. The increase in logistics cost is also exerting pressure on margins.

On demand side, the company has a good order book, but the costs of manufacture and delivery have gone up through the roof. The price of the jobs from customers is always fixed whereas input costs especially those of steel, are dynamic. This gap is causing the segment to perform weakly.

The following table presents the performance of the heavy engineering segment

(Rs. in Lakhs)

Particulars	FY 2021-2022	FY 2020-2021
Revenue	8,448	8,933
Profit before interest & tax	(2,132)	(957)

Way forward:

The after effects of pandemic are still telling on the unit. The unit is trying hard at timely delivery of the products, despite destabilizations caused by the pandemic. The unit is attempting to upgrade some of its facilities with limited costs, considering the losses being incurred.

Risks:

The rising input and logistic costs are cause of worry and are being addressed.

The engineering unit is focusing and investing more on operational improvement and optimization.

Many problems / issues are fallouts of lower manpower productivities and, hence, scientific approach towards efficiency improvement is being attempted.

B. POWER:

The Company generates power from various sources like Thermal, Hydel, Solar, Wind and Waste heat recovery

Thermal:

Thermal Power Plant located in one of the Company's cement factories, caters to the captive needs of the cement unit.

The cost of generation of power was low in the FY 2021 due to lower fuel costs. In FY 2022, the prices of steam coal have skyrocketed and made the cost of generation very expensive. The company enhanced power purchase from the state-controlled distribution companies to meet the growing demand for cement.

Non-availability of domestic coal coupled with huge demand for power due to hard summer, forced the power distribution companies to resort to power cuts dislocating production plans. The company had to resort to power generation even though the cost of generation was very high due high imported coal prices.

Due to these factors the Power Plant as a segment incurred losses as arm's length transfer pricing is used for profitability estimation. It is important to note that cement production was not hampered and profits were made from cement segment. Thus the power plant registered losses, but contributed to uninterrupted cement production and cement profitability.

Hydel:

The Hydel unit generates power based on inflows into the canals of Nagarjunasagar dam in AP/ Telangana.

The unit registered good performances due to good and timely monsoon.

The power generated is wheeled to the two cement units located in AP on an agreement with state-controlled distribution company of AP.

Waste Heat Recovery:

The waste heat recovery plant located in cement unit at Macherla, AP, registered one of the best performances to provide power to the cement manufacturing unit in Macherla, AP.

Due to high levels of clinker production the unit could generate good quantum of power and registered profit.

Wind and Solar:

The solar plant is located in our Cement Plant at Muktyala in AP and meets the needs of the Cement Plant.

The performance of the Solar unit was satisfactory and should not have any adverse impacts as the source is only sun light and it is abundant in the region.

The wind power unit is located in Tamilnadu and caters to the needs of our Heavy Engineering unit in Chennai. The performance of this unit also was satisfactory

Power Details	Thermal		Hydel		Waste Heat Recovery		Windmill		Solar	
	21-22	20-21	21-22	20-21	21-22	20-21	21-22	20-21	21-22	20-21
Generation (MWH)	1,21,313	1,20,537	25,248	21,631	15,919	12,326	6,663	6,240	1,475	1,533
Profit before interest & tax (Rs. in Lakhs)	(950)	343	562	(21)	605	443	243	182	78	23

HOSPITALITY

Though the hospitality is still a long way to reach the 2019 numbers, and experts say it will take until 2024 or 2025, some hotels are coming back faster than others. For example, millennials are becoming the largest consumer group. These are new clients and their requirements and needs are different. KCP Hotel, located centrally in Hyderabad, is leaving no stone unturned to attract all types of customers. The company is adding a roof top restaurant with a panoramic view, which is sure to attract millennials.

The domestic traveler is moving again both for leisure and for business, but the international travel is taking longer.

The impact of covid on business was severe and affected the room rates. But the hotel realized that dropping rates won't get additional clients. Rates have to be taken to a point where it is at least sustainable.

Diluting rates won't get the hotels more clients as there is an expectation of excellence based on rates.

With opening of offices and lifting of restrictions, the travel, both business as well as leisure have increased and helped in improved performance of the Hotel.

It may be noted that Hyderabad is a favored destination for many businesses like IT, Pharma etc. Tourism to Hyderabad is also a big advantage to the Hotel, with opening of many large tourist attractions in Hyderabad in recent times.

The Hotel registered much improved financial performance in the year.

Details	2021-22	2020-21
Revenue	1,361	573
Profit / (Loss) before interest and tax	(423)	(956)

Way Forward & Risks:

Hotel is trying to enhance food & beverage revenue with new initiatives like opening roof top restaurants, with special cuisines like south-east Asian cuisines. Room occupancies are being targeted for improvement by adding some unique features like spa and different stay packages for week-ends. Attempts are afoot to attract airlines for room stays.

C. SUBSIDIARY

KCP Vietnam Industries Limited: (KCP VIL)

Details	2021-2022	2020-2021
Crushing Capacity (TPD)	11,000	11,000
Cane Crushed (MTS)	653,124	420,736
Sugar Produced (MTS)	83,447	68,489
Recovery Rate (%)	10.27%	10.84%
Average Sales Realization (Rs./MT)	54,859	43,450
Turnover (Rs in Lakhs)	54,298	41,284
Profit Before Tax (Rs in Lakhs)	15,457	6,593

The international and domestic sugar prices maintained strongly during the year due to lower sugar production in 2021 from Brazil and Thailand, the top two sugar exporters in the world in 2020. Though sugar exports from India filled the gap, reduction in global sugar stocks with sugar deficit estimates contributed to the strong sugar prices during the year in spite of reduced demand due to Covid-19.

Though drought conditions were prevailing in Vietnam, the area where the Subsidiary has plant, received good rains through the season of financial year 2022. As a result, the sugar cane availability was better than the financial year 2021. Consequently sugar produced was higher. The quality of the sugarcane was also good leading to higher yields.

The sales realisations per ton were also better compared to last year as the country took to levy anti-dumping duty on the cheaper import of sugar from across the borders.

The Subsidiary exported surplus power to the Grid from its 30MW Power Plant

The Subsidiary received necessary approvals for setting up a plant in Sonhoa Province of Vietnam for

producing fuel grade Ethanol. The plant would be setup after evaluating cane availability after meeting the sugar production requirements.

The Subsidiary also received approvals for setting up 60MW biomass power plant. Already one cogeneration plant with 30MW had been set up. Balance 30MW plant would be set up based on the availability of surplus bagasse and biomass.

Preliminary steps have been initiated to take up a project for setting up a plant for manufacturing disposable rubber gloves for medical purpose, as it is expected that the demand would be good for the product.

JOINT VENTURE

Fives Cail KCP Limited

Sales during the year under review amounted to Rs 20,208 Lakhs as against Rs 7,589 Lakhs during the previous year. The Company recorded a profit from operations of Rs 249 Lakhs during the year under report as compared to loss of Rs 1,165 Lakhs in the previous year.

Operations

The Company booked order worth Rs 22,830 lakhs (Exports Rs 12,420 lakhs) during the year under report and the order backlog position is Rs 24,280 lakhs (Exports Rs 11,660 Lakhs) as at 31st March, 2022 in comparison with a backlog Rs 21,500 Lakhs (Exports Nil) at the end of the previous year.

Business Review

The total revenue for the year is Rs 20,331 lakhs as compared to Rs. 7676 lakhs in the previous year. In spite of the continuous impact of covid 19 throughout the year, the company could achieve reasonable sales with stringent safety measures. Increase in steel price made marginal dip in the Gross margin.

Potential for incinerator segment continuous to be better as the Government is keen to increase the blending of Ethanol to optimize fuel costs. In fact, the government has allowed production of ethanol not only from sugar but also from grains. The modified design due to change in input for incinerators (Vinasse from Syrup/ B Heavy Molasses) has been commissioned during the year and is performing satisfactorily. Sugar industry continues to be in the downward trend in India. However, we foresee encouraging scenario in international markets both for sugar and incinerator segment this year.

The Company carries an order backlog of Rs 24280 lakhs as at 1st April 2022 and the Financial year 2023 revenue appears to be promising; however, increase in steel price, would have substantial impact on the margin for the backlog orders.

D. NEW PROJECTS

Packing Terminal:

The company completed commissioning of packing terminal near Chennai and started operations almost at the end of FY 2022. The construction got delayed due to Covid related issues in supplies. There was also cost over run due to overheads attributable to time overruns. The packing terminal aims to reduce logistics cost. However, the evaluation of benefits can

be ascertained once the plant runs for a reasonable period in the year.

E. ACCOUNTING POLICIES AND PROCEDURES:

In the preparation of financial statements, the company followed all laid down guidelines and standards. The company has policies in line with the applicable accounting standards and a few significant polies have been disclosed as part of accounts which are part of the Annual Report.

The Company has made all the disclosures in the accounts, as required under new Schedule III of the Companies Act, 2013 as amended.

A. Details of Significant Changes in key ratios

Ratio	Numerator/Denominator	Ratio FY 2021-22	Ratio FY 2020-21	Change	Reasons for change by more than 25%
Current Ratio	Current Assets/Current Liabilities	1.15	1.04	11%	-
Debt-Equity Ratio	Borrowing (Non-Current & Current) / Networth	0.46	0.64	-27%	Favourable Change. Reduction in Term Loan Outstanding from Internal Generations.
Debt Service Coverage Ratio	[Borrowing (Non-Current & Current) + Interest on Borrowings] / Profit before Interest, depreciation and taxes (EBIDTA)	2.33	2.25	4%	-
Return on Equity Ratio	Net Profit after Tax / Equity	0.18	0.25	-28%	Unfavourable Change: Cement Margins were under pressure due to steep increase in coal and diesel costs leading to higher cost of production.
Inventory Turnover Ratio	Cost of Goods Sold / Average Inventory	7.12	6.12	16%	-
Trade Receivables Turnover Ratio	Sales /Average trade receivables	25.04	22.04	14%	-
Trade Payable Turnover Ratio	Purchases/Average trade payables	4.60	2.74	168%	Favourable Change : Purchase of large value of coal without credit period resulted in better average ratio.

Net Capital Turnover Ratio	Sales / (Current Assets minus Current Liabilities)	21.23	73.75	-71%	Unfavourable Change: Higher Working Capital had to be blocked for purchase of Coal considering the global coal price movements.
Net Profit Ratio	Net Profit after Tax/ Total Revenue	8%	12%	-31%	Unfavourable Change: Cement Margins were under pressure due to steep increase in coal and diesel costs leading to higher cost of production.
Return on Capital Employed	Profit before interest & tax (EBIT) / Total Assets minus current Liabilities	21%	27%	-22%	-
Return on Investment	Net Profit after Tax/ Net Worth	16%	20%	-22%	-

F. CAUTIONARY STATEMENT:

Statements in the “Management Discussion and Analysis” describing the Company’s objectives, expectations or predictions are as perceived currently. Actual results may differ materially from those expressed in this statement. Important factors that could influence the Company’s operations include domestic supply and demand conditions affecting selling prices of finished goods, input prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

For and on behalf of the Board of Directors

Place: Chennai

Date: May 18, 2022

Dr. V.L. Indira Dutt
Chairperson & Managing Director

Disclosure In Directors' Report Pursuant to Section 197(12) of the Companies Act, 2013 Read with Companies (Appointment and Remuneration of Managerial Personnel), Rules 2014, as Amended.

No.	Employee Name	Designation	Remuneration Received (Rs. in Lakhs)	Qualification	Age	Total Experience in years)	Date of Commencement of Employment	Particulars of Previous Employment		Period for which last post held
								Organisation	Designation	
1	2	3	4	5	6	7	8	9	10	11
1.	Dr. V.L. Indira Dutt	Chairperson & Managing Director (CMD)	778.81	B.A.	82	26	01/07/1996	-	-	-
2.	Smt. V. KavithaDutt	Joint Managing Director (JMD)	584.11	Grad. Business Management, PGDHR	51	23	01/10/1999	-	-	-
3.	Sri. K. Ramakrishna	Executive President – (Cement Marketing)	131.48	B.Sc, PGDMSM	57	37	22/04/1991	Annapura Cements Ltd	-	10 years
4.	Sri. GN Murty	Chief Financial Officer	96.78	CA, CS, M.B.A., PGDCA	67	42	02/07/2015	Vizag Steel Plant (RINL)	Executive Director	35 Years
5.	Sri. BVPS Chowdary	Senior General Manager	78.94	B.Com, ICWA	52	25	19/12/1997	-	-	-
6.	Sri. V. Madhusudhan Rao	Vice President – Operations CPU II	79.98	AMIE	52	27	16/02/2019	Bharati Cement	Senior GM	10 Years
7.	Sri. A. Srihari	Chief People Officer	51.07	B.E., M.E., MBA	48	26	04/03/2020	JK Fenner India Ltd	HR & Admn	3 years.
8.	Sri. Roop Singh Chaudhary	Vice President (Procurement)	49.78	B.E (Mechanical) M.B.A	50	26	31/03/2018	Ultratech Cement Limited	Asst. Vice President	9 years
9.	Sri. M. Narayanarao	President (Heavy Engineering)	100.00	B.E. (Mechanical)	67	45	04/06/2020	MTAR Technologies Ltd	CEO	2 years
10.	Sri. Y. Vijayakumar	Company Secretary	40.24	ACS BGL MBA	52	24	05/03/2008	Cavincare Pvt. Ltd.	Asst. Mgr Secretarial	1 year

Notes:

1. Remuneration received includes salary, commission, allowance, medical and leave travel expenses, monetary value of perquisites as per Income Tax Rules and Company's contributions to Provident and Superannuation Funds.
2. Nature of employment is Contractual in the case of Whole Time Directors.
3. In respect of all the other employees, the nature of employment is non-contractual, terminable by notice on either side and liable to transfer to any division / subsidiary of the Company.
4. None of the employees except Dr. V.L. Indira Dutt and Smt. V. Kavitha Dutt mentioned above is/ are relative of any Director of the Company.
5. None of the employee except Dr. V.L. Indira Dutt (7.73%) and Smt. V. Kavitha Dutt (1.05 %) owns more than 2% of the outstanding shares of the Company as on March 31, 2022.
6. Total experience shown in Column 7 includes service with previous employers.



Annexures to the Director's Report

ANNEXURE - 2

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS PRESCRIBED UNDER RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014.

A. CONSERVATION OF ENERGY:

KCP is putting all efforts to increase the share of Renewable Energy with the Captive Wind Power Generation from Uthumalai and Solar power at Muktyala, Waste Heat Recovery unit at Macherla and Hydel unit at Nekarekallu.

During the year the following efforts were made to reduce the impact of increasing electrical energy cost:

a) Macherla Cement Plant

- Commissioning of Raw mill reject recirculation system achieved power saving of 0.81 Units/Ton and cost saving of Rs. 25.31 lakhs/annum
- Rerouting of Compressor air lines to avoid the pipe line leakages and to avoid the pipe line pressure losses achieved power saving of 20.20 kw/hr and cost saving of Rs. 7.94 lakhs/annum.
- Modification of kiln feed entry feed box at 2nd cyclone and 1A & 1B cyclones discharge feed boxes, dispersion plates, dip tubes to improve the heat transfer in preheater thermal consumption resulted in energy savings of 45 Kcal/Kg clinker and cost saving of Rs. 535 lakhs/annum.
- Change of Coal mill classifier and nozzle ring directions from counter clock-wise to clock-wise, similar to coal mill feed table direction to avoid the gas turbulence in the VRM achieved energy saving of 383 kw/day and cost saving of Rs. 6.26 Lakhs / per annum
- Replacement of 16 Nos. of capacitor banks with new units achieved energy saving of 15 KWH / per hour and cost saving Rs. 5.98 Lakhs / per annum.
- Replacement of 140 Nos. of 70 Watts Sodium Vapour Lamp fittings with 30 Watts LED light fittings, achieved energy savings of 68 KWH/day and cost savings of Rs. 1.36 Lakhs / per annum.
- Arrangement of DP switches for 3 Nos. of dust collectors - 511 BF2, 511 BF3, 551 BF6, in place of timer pulse systems achieved energy saving of 2 kw/hr and cost saving of Rs. 0.56 Lakhs / per annum.
- Arrangement of VFD for Cement Mill Water Spray system achieved energy saving of 1 kw/hr and cost savings of Rs. 0.25 Lakhs / per annum.

b) Muktyala Cement Plant

- installation of level sensor in cement mill-3 reject hopper achieved energy saving of 30 KWH and cost savings of Rs. 9.72 Lakhs / per annum
- Modification of Duct raw mill-2 fan inlet achieved energy saving of 15 KWH and cost savings of Rs. 5.34 Lakhs / per annum.
- optimization of fly ash tanker unloading compressor achieved energy saving of 114KWH and cost saving of Rs.13.59 Lakhs / per annum.
- optimization of process cooling tower by keeping ahu-ct bypass achieved energy saving of 7KWH and cost savings of Rs.2.70 Lakhs / per annum.
- optimization of packer-1&2 bags cleaning blower achieved energy savings of 7KWH and cost saving of Rs. 2.72 Lakhs / per annum.

B. Technology Absorption

- a) Conservation of resources through maximization of the use of low-grade limestone for cement manufacturing, improvement in the quality of blended cement through innovative process utilizing industrial by-products for improved quality and performance of KCP plants;
- b) Maximisation of industrial wastes utilization and looking into possibilities of environmentally friendly co-processing of wastes in cement manufacture leading to thermal substitution and conservation of natural resources;
- c) Optimization of fuel mix for lowering the cost;

C. Expenditure on R & D

(Rs in Lakhs)

Particulars	FY 2021-2022	FY 2020-2021
a) Capital Expenditure	-	-
b) Recurring Expenditure	-	-
c) Total Expenditure	-	-
d) Total R& D expenditure as % of turnover	-	-

D. Foreign Exchange Earnings and Outgo

Particulars	FY 2021-2022	FY 2020-2021
I) Earnings in Foreign Exchange		
a) FOB Value of goods exported during the year	410.03	182.89
b) Income from service charge	63.84	31.23
c) Dividend from Investments held in Foreign Subsidiary	4,472.79	3,028.00
II) Expenditure in Foreign Currency		
a) Travelling expenses	-	0.56
b) Membership	-	-
c) Other matters	21.13	4.58

Annual Report On CSR Activities

[Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended]

1. Brief outline on CSR Policy of the Company:

The Company is actively contributing to the social and economic development of the communities in which it operates. The Company's Corporate Social Responsibility ("CSR") policy encompasses formulation, implementation, monitoring, evaluation, documentation and reporting of CSR activities taken up by the Company.

2. Composition of CSR Committee:

Directors	Category
Dr. V.L. Indira Dutt	Chairperson
Smt. V. Kavitha Dutt	Member
Sri. Vijay Sankar	Member
Sri. P.S. Kumar	Member
Smt. Janaki Pillai	Member

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:

<http://www.kcp.co.in/downloads/investor/corporate-governance/corporate-social-responsibility-csr-policy.pdf>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):

NA

5. Details of the amount available for set-off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) +Rules, 2014 and amount required for setoff for the financial year, if any

No.	Financial Year	Amount available for se-off from preceding financial years (Rs. in Lakhs)	Amount required to be set-off for the financial year, if any (Rs. in Lakhs)
1.	2021-22	25.42	25.42

6. Average net profit of the Company as per Section 135(5) Rs.4,919.59 Lakhs
7. (a) Two percent of average net profit of the Company as Per section 135(5) Rs.98.39 Lakhs
- (b) Surplus arising out of the CSR Projects or programmes Activities of the previous financial years. Nil
- (c) Amount required to be set off for the financial year if any Rs.25.42 Lakhs
- (d) Total CSR obligation for the financial year (7a+7b-7c) Rs.72.97 Lakhs

8. (a) CSR Amount spent or unspent for the financial year:

Total amount spent for the financial year: (Rs. in Lakhs)	Amount unspent (Rs.)				
	Total amount transferred to unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
127.67	-	-	-	-	-

(b) Details of CSR amount spent against ongoing project for the financial year:

1	2	3	4	5		6	7	8	9	10	11	
No.	Name of the project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (Rs.)	Amount spent in the current financial year (Rs.)	Amount transferred to unspent CSR Account for the project as per Section 135(6) (Rs.)	Mode of implementation – Direct (yes / no)	Mode of implementation – through implementing agency	
				State	Dist.						Name	CSR Registration No.
1.	-	-	-	-	-	-	-	-	-	-	-	-

c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

(1)	(2)	(3)	(4)	(5)		(7)	(10)	(11)	
No.	Name of the project	Item from the list of activities in Schedule VII to the Act	Local Area (yes/No)	Location of the project		Amount spent for the project (Rs in Lakhs)	Mode of implementation Direct (yes/no)	Mode of implementation Through implementing agency	
				State	Dist.			Name	CSR Registration number
1.	Health, Sanitation	Promotion of Health care, Sanitation & Making availability of SDW	Muktyala Macherla	AP	Palnadu NTR	15.94	Y		
2.	Education & Training	Promoting education and Employment enhancing Vocational skills among Children, Women, Elderly and the Differently abled and Livelihood Enhancement Projects		AP Tamilnadu	Palnadu NTR Chennai	93.85	Y		

3	Women empowerment	Promoting Gender equality Empowering women and selling up homes for women and measures for reducing in equalities faced by Socially and Economically Backward groups		AP	Palnadu NTR	10.57	Y		
4	Environment Protection	Ensuring Environmental Sustainability Ecological balance, Conservation of Natural Resources and maintaining quality of Soil Air, Water and Rural Development		AP Tamilnadu	Palnadu NTR Chennai	7.31	Y		
		Total				127.67			

- (d) Amount spent in Administrative Overheads : -
- (e) Amount spent on Impact assessment, if applicable : -
- (f) Total amount spent for the Financial year (8b+8c+8d+8e) : Rs. 127.67 Lakhs
- (g) Excess amount for set off, if any

No.	Particular	(Rs in Lakhs)
i.	Two percent of average net profit of the company as per Section 135(5) [Refer point 7 (d)] (Rs. 98.39 lakhs - Rs. 25.42 lakhs)	72.97
ii.	Total amount spent for the financial year	127.67
iii.	Excess amount spent for the financial year (ii-i)	54.70
iv.	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years, if any	-
v.	Amount available for set off in succeeding financial years (iii-iv)	54.70

9 (a) Details of unspent CSR amount for the preceding three financial years:

No.	Preceding financial year	Amount transferred to unspent CSR account under Sec.135(6) (Rs.)	Amount spent in the reporting financial year (Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.	Amount remaining to be spent in succeeding financial year (Rs.)
1.				-NIL-	
2.					
3.					

(b) Details of CSR amount spent in the financial year for ongoing project of the preceding financial year(s):

1	2	3	4	5	6	7	8	9
No.	Project ID	Name of the project	Financial year in which the project was commenced	Project duration	Total amount allocated for the project (Rs.)	Amount spent on the project in the reporting financial year (Rs.)	Cumulative amount spent at the end of reporting financial year (Rs.)	Status of the project – completed / ongoing
1								
2					-NIL-			
3								

10. In case of creation or acquisition of capital asset, furnish

The details to the asset so created or acquired through CSR : - NA -

Spent in the financial year : :

(Asset-wise details)

a) Date of creation or acquisition of the capital asset(s) : -

b) Amount of CSR spent for creation or acquisition of capital asset. : -

c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). : -

11. Specify the reasons(s), if the company has failed to spend

Two percent of the average net profit as per Sec.135(5) : - NA -

Sd/- Dr. V.L. Indira Dutt Chairperson CSR Committee	Sd/- Sri. G. N. Murty Chief Financial Officer	Sd/- Sri. Y. Vijayakumar Company Secretary
---	--	---

FORM AOC-1

Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures

(Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014) as amended.

Part "A" : Subsidiaries

1	Name of the Subsidiary	KCP VIETNAM INDUSTRIES LIMITED	
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	January to December	
3	Reporting currency of foreign subsidiaries	Vietnamese Dongs (VND) ('000)	Indian (Rs in Lakhs)
	Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	1 INR = 303.14 VND as on 31.03.2022	
4	Share Capital	54,58,56,275	18,007
5	Reserves & Surplus	1,59,52,59,454	52,625
6	Total Assets	2,70,04,18,265	89,074
7	Total Liabilities	55,93,02,536	18,443
8	Investments	-	-
9	Turnover	1,63,10,97,008	52,385
10	Profit before taxation	45,81,85,730	15,457
11	Provision for taxation	-	-
12	Profit after taxation	45,81,85,730	15,457
13	Proposed Dividend*	20,66,09,522	6,816
14	% of shareholding	66.667	66.667

Part "B" : Associates and Joint Ventures

	Name of Joint Venture	FIVES CAIL - KCP LIMITED
1	Latest Unaudited Balance Sheet Date	March 31, 2022
2	Shares of Joint Venture held by the Company on the year end (no.)	4,00,000
	Amount of Investment in Joint Venture (Rs in Lakhs)	40
	Extent of Holding %	40%
3	Description of how there is significant influence	There is significant influence due to percentage (%) of Share Capital.
4	Reason why the Joint Venture is not consolidated	N.A.
5	Networth attributable to Shareholding as per latest unaudited Balance Sheet (Rs in Lakhs)	663
6	Profit / (Loss) for the year	
	(i) Considered in Consolidation (Rs in Lakhs)**	52
	(ii) Not Considered in Consolidation***	78

* Dividend paid during the year

** Relates to 40% interest in the joint venture.

*** Relates to Balance 60% interest in the Joint Venture.

(FOR AND ON BEHALF OF THE BOARD)

Dr. V.L. INDIRA DUTT
Chairperson & Managing Director
DIN: 00139883

V. KAVITHA DUTT
Joint Managing Director
DIN: 00139274

G N MURTY
Chief Financial Officer

Y VIJAYAKUMAR
Company Secretary
ACS: 16353

As per our report annexed

for K.S.RAO & CO
Chartered Accountants
Firm Regn No. 003109S

P GOVARDHANA REDDY
Partner
ICAI Mem No: 029193

Place: Chennai
Date : May 18, 2022

FORM AOC - 2

Particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014) as amended.

Details of contracts or arrangements or transactions at Arm's length basis.

No.	Name of the Relate Party	Nature of relationship	Nature of the transaction	Value of the transaction (Rs in Lakhs)
1	Fives Cail KCP Limited	Joint Venture	Sales and Services	636.97
2	Fives Cail KCP Limited	Joint Venture	Leasing of property & Services	97.09
3	Dr.V.L.Indira Dutt	Chairperson & Managing Director (CMD), and Mother of V. Kavitha Dutt, JMD of the Company.	Lease rentals	149.56
4	Smt.Uma.S.Vallabhaneni	Sister of CMD	Lease rentals	151.60
5	Smt.V.Rama Kumari	Sister of CMD	Lease rentals	112.00
6	Bala Tripurasundari Ammavaru Trust	CMD is Trustee	Lease rentals	149.33
7	Sri.V.Chandra kumar	Brother of CMD	Lease rentals	62.58
8	Smt. V. Kavitha Dutt	Joint Managing Director (JMD)	Lease rentals	4.29
9	V. Ramakrishna Charitable Trust	CMD, JMD are Trustees	Lease rentals	0.13
10	V. Ramakrishna Charitable Trust	CMD, JMD are Trustees	CSR	68.36
11	V. Ramakrishna Charitable Trust	CMD, JMD are Trustees	Sales	1.70
12	Sri V Ramakrishna Higer Secondary School	CMD, JMD are Trustees	Donation	76.00
13	Kids Academy of General & Technical Education	CMD, JMD are Trustees	CSR	13.52

(a) Name of the related party & Nature of Relationship: **As provided in the table above**

(b) Nature, duration of the contract and particulars of the contract or arrangement.

- The transactions in Sl. No 1 in above table pertains to Boiler Supply and Service order with M/s Fives Cail KCP Limited.
- The transactions at serial number 2 relates to leasing of office space owned by the company at "Ramakrishna Buildings" 2, Dr. P.V. Cherian crescent, Egmore, Chennai-600 006 to M/s. Fives Cail KCP Limited, (10,500 sft), at the rate prevailing in that area.
- The transactions at serial numbers 3 to 8 relates to Lease Agreements with certain Land owners including the parties mentioned in the table who are related parties for lease of lands at Muktyala for mining of limestone. The lease Rent payable to all parties both related and un-related is 25% of the Annual Dead Rent payable to the Government or 25% of the Royalty payable to the Government whichever is higher.
- The transaction at Serial No. 9 relates to leasing of premises to V Ramakrishna Charitable Trust for education purpose.
- The transactions in Sl.No 10, 12 and 13 in above table pertains to CSR contributions to Trust/Society and School in which CMD and JMD are interested.
- The transactions in Sl. No 11 in above table pertains to sale of Cement.

(c) Duration of the contracts / arrangements/transactions - From 11 months to 53 years

(d) Salient terms of the contracts or arrangements or transactions including the value if any. As explained above.

(e) Date of approval by the Board May 22, 2014, May 29, 2019 and May 18, 2022.

(f) Amount paid as advances, If any: NIL

(g) Date on which the special resolution was passed in general meeting as required under first proviso to section 188 on June 11, 2014 and ordinary resolution passed on August 07, 2019.

Dr. V.L. Indira Dutt
Chairperson & Managing Director

Place : Chennai
Date : May18, 2022

Secretarial Audit Report

Form No. MR-3

For the Financial Year ended on March 31, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014] as amended.

To,
The Members,

THE KCP LIMITED

I have conducted the Secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by THE KCP LIMITED (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also based on information provided by the Company, its officers, agents and the authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2022 complied with the statutory provisions listed here under and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by THE KCP LIMITED for the financial year ended on 31st March, 2022 according to the provisions of:

- I. The Companies Act, 2013(the Act) and the rules made thereunder
- II. The Securities Contracts (Regulation) Act, 1956('SCRA') and the rules made thereunder
- III. The Depositories Act, 1996 and the Regulations and byelaws framed thereunder
- IV. Foreign Exchange Management act, 1999 and the rules and regulation made thereunder to the extent of Foreign Direct Investment & Overseas Direct Investment. **The company has no external commercial borrowings.**

V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) regulations, 2009 – **The Company has not issued any capital this year.**
- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) guidelines, 1999 – **Not Applicable**
- e. The Securities Exchange Board of India (Issue and Listing of Debt securities) Regulations, 2008 – **Not Applicable**
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client
- g. The Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009 – **Not applicable**
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 – **Not Applicable**

VI. Sector Specific Laws as applicable to the Company Necessary licenses, approvals required under the said acts have been obtained and are valid for the period under review.

- a. Mines Act, 1952
- b. Indian Boilers Act, 1923

- c. Environment Protection Act ,1986
 - d. The Hazardous Waste (Management Handling & Transboundary Movement) Rules, 2008
 - e. The Water (Prevention and Control of Pollution) Act, 1974
 - f. The Air (Prevention and Control of Pollution) Act, 1981
 - g. Legal Metrology Act, 2009
 - h. Explosives Act, 1884
- VII. The Company has maintained the registers required to be maintained under the following Laws and filed the required returns:
- a. Factories Act, 1948,
 - b. Payment of Gratuity Act, 1972
 - c. Employees Provident Fund and Miscellaneous Provisions Act, 1952
 - d. Employees' State Insurance Act, 1948
 - e. Minimum wages Act, 1948
 - f. Payment of wages Act, 1936
 - g. Payment of Bonus(Amendment) Act,2015
 - h. The contract Labour (Regulation and Abolition) Act, 1970
 - i. The Apprentices Act, 1961
 - j. Sexual harassment of women at workplace (Prevention, prohibition, & redressal) Act, 2013
 - k. The maternity benefit (amendment) Act,2017

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provision of the Act, Rules, Regulations, Guidelines, Standards, etc., mentioned above as applicable to the company.

I further report that

The Board of Directors is duly constituted with proper balance of Executive Directors and Independent Directors.

Adequate notice was given to all Directors to schedule the Board Meetings; agenda and detailed notes on agenda were sent at least 7 days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All resolutions of the Board of Directors, during the period under review were passed unanimously.

I further report that there are adequate systems and process in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period no specific events/ actions having a major bearing on the company's affairs in pursuance of the above referred laws, Rules, Regulations, Guidelines, standards etc. has been identified.

SOBANA PRANESH

Practising Company Secretary

Place: Chennai

Date: May 18, 2022

FCS No. :9825

C P No . : 2403

P R No: 2288/2022

UDIN: F009825D000611316

This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

‘Annexure A’

To
The Members
The KCP Limited
Chennai

My report of even date is to be read along with this letter.

- 1 Maintenance of Secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on our audit.
- 2 I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
- 3 I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
- 4 Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- 5 The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
- 6 The Secretarial Audit report is neither an assurance as to the future viability of the company nor the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Chennai
Date: May 18, 2022

SOBANA PRANESH
Practising Company Secretary
FCS No. :9825
C P No . : 2403
P R No: 2288/2022

Certificate of Non-Disqualification of Directors

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To

The Members of
THE KCP LIMITED
“RAMAKRISHNA BUILDINGS”,
No.2, Dr. P.V. Cherian Crescent
Egmore, Chennai 600008

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of THE KCP LIMITED having CIN: L65991TN1941PLC001128 and having its registered office at “Ramakrishna Buildings”, No.2, Dr. P.V. Cherian Crescent, Egmore, Chennai 600 008 (hereinafter referred to as “the Company”), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C sub Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information according to the verification (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

No.	Name of Directors	DIN	Date of appointment in Company
1.	Dr. V.L. Indira Dutt	00139883	29/02/2020
2.	Smt. V. Kavitha Dutt	00139274	01/07/2020
3.	Sri. Vijay Sankar	00007875	07/08/2019
4.	Sri. V.H. Ramakrishnan	00143948	07/08/2019
5.	Sri. P.S. Kumar	00267280	07/08/2019
6.	Sri. M. Narasimhappa	03319847	07/08/2019
7.	Smt. Janaki Pillai	08713712	29/02/2020
8.	Sri. V.Chandrakumar Prasad	08744154	18/06/2020
9.	Dr. Subbarao Vallabhaneni	08746927	18/06/2020
10	Sri. Ravi Chitturi	00328364	18/06/2020

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

SOBANA PRANESH
Practising Company Secretary

Place: Chennai
Date: May 18, 2022

FCS No. :9825
C P No . : 2403
P R No: 2288/2022
UDIN: F009825D000611327

Business Responsibility and Sustainability Report

Section A	General Disclosures	46
Section B	Management and Process Disclosures	50
Section C	Principle wise Performance Disclosure	54
Principle 1	Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable	54
Principle 2	Businesses should provide goods and services in a manner that is sustainable and safe	56
Principle 3	Businesses should respect and promote the well-being of all employees, including those in their value chains	57
Principle 4	Businesses should respect the interests of and be responsive to all its stakeholders	62
Principle 5	Businesses should respect and promote human rights	63
Principle 6	Businesses should respect and make efforts to protect and restore the environment	65
Principle 7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent	71
Principle 8	Businesses should promote inclusive growth and equitable development	72
Principle 9	Businesses should engage with and provide value to their consumers in a responsible manner	73

SECTION A: GENERAL DISCLOSURES

1. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Company	L65991TN1941PLC001128
2.	Name of the Company	THE KCP LIMITED
3	Year of incorporation	1941
4	Registered Office address	No.2, Ramakrishna Buildings, Dr. P V Cherian Crescent, Egmore, Chennai - 600008
5	Corporate address	-do-
6	Website	www.kcp.co.in

7	E-mail id	corporate@kcp.co.in
8	Financial Year reported	2021-2022
9	Name of the Stock Exchange(s) where shares are listed	NSE
10	Paid-up Capital	Rs.1,289 Lakhs
11	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR Report.	Y.Vijayakumar, 044-66772622, vijaycs@kcp.co.in
12	Products / services	Cement/Heavy Machinery, Hospitality
13.	Reporting boundary	The financial disclosures made in this report are on a standalone basis, and are excerpted from the Company's Annual Report for the year 2021-2022. The data related to social performance is on a standalone basis. The environmental disclosures are based on performance of Company's Businesses.

14. Details of business activities (accounting for 90% of the turnover):

No.	Description of Main activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacture of cement	Manufacture and Marketing of cement.	93.62%
2.	Manufacture of Machinery.	N.A.	
3.	Electric power generation.		
4.	Hotel.		

15. Products/ services sold by the entity (accounting for 90% of the entity's Turnover):

No.	Product / Service	NIC Code	% of total Turnover contributed
1.	Cement	239	93.62%
2.	Manufacture of Machinery.	281	5.33%
3.	Electric power generation.	351	0.11%
4.	Hotel	551	0.86%

III. Operations

16. Number of locations where plants and / or operations / offices of the entity are situated:

The Company's Businesses and operations are spread across the country. Details of plant locations, are provided under sections 'Shareholder Information' in Company's Report and Accounts 2022.

Location	Number of plants	Number of offices	Total
National	10	9	19
International	2	1	3

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of states)	Pan India
International (No. of Countries)	2 (India, Vietnam)

b. What is the contribution of exports as a percentage of the total turnover of the entity?

The contribution of exports as a percentage of total turnover of KCP Standalone is 0.26%

c. A brief on types of customers

KCP group is one of India's foremost private sector companies and a diversified conglomerate with businesses spanning Cement, Heavy Engineering, Power and Hospitality businesses.

IV. Employees

18. Details as at the end of financial year:

a. Employees and Workers (including differently abled):

During FY 2021-22, the Company employed 1167 employees, out of which 1140 are male employees and 27 were female employees.

Particulars	Total Employees (a)	Male		Female	
		No (b)	% (b/a)	No (c)	% (c/a)
Employees					
Permanent (D)	653	638	97.70	15	2.30
Other than Permanent (E)	220	208	94.55	12	5.45
Total employees (D + E)	873	846	96.91	27	3.09
Workers					
Permanent (F)	203	203	100	0	0
Other than Permanent (G)	91	91	100	0	0
Total workers (F + G)	294	294	100	0	0

- Permanent Employees include Management, Non-Management and Workers, other than Permanent Employees include contractors and interns.

b. Differently abled Employees and workers:

There is/are no differently abled employees / workers

- Differently abled type includes Hearing, Visual, Locomotor, Orthopaedic employees/workers.

19. Participation/ Inclusion/Representation of women

	Total (A)	No and percentage of females	
		No (B)	% (B/A)
Board of Directors	10	3	30%
* Key Managerial Personnel	4	2	50%

* Comprising Chairperson & Managing Director, Wholtime Directors, Chief Financial Officer and Company Secretary

20. Turnover rate for permanent employees and workers

In FY 2021-22, the overall attrition (voluntary separation, retirement, termination and abandonment of services) across employees was 18.51%.

Financial year	2019-2020	2020-2021	2021-2022
Turnover rate	24.32%	19.33%	18.51%

V. Holding, Subsidiary and Associate Companies (including joint Ventures)

21. (a) Names of holding / subsidiary / associates companies / joint ventures

No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding / subsidiary / Associate / Joint venture	% of shares held by listed entity	Does the entity indicated at Column A, participate in the Business Responsibility initiatives of the listed entity? (Yes / No)
1.	KCP Vietnam Industries Limited	Subsidiary	66.66	No
2.	Fives Cail KCP Limited	Joint Venture	40.00	No

VI. CSR Details

22. (i) Whether CSR is applicable as per Section 135 of Companies Act, 2013:

Yes, CSR is applicable as per Section 135 of Companies Act, 2013.

(ii) Turnover : Rs. 1,58,120 Lakhs

(iii) Net worth : Rs. 72,361 Lakhs

VII. Transparency and Disclosures Compliances

23. Complaints / Grievances on any of the principles (principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in place (yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2021-2022 Current Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	We have a structured process of engaging with the communities to get feedback on the interventions and also understand if they have any views, issues, complaints and grievances related to these interventions. During FY 2021-22, no grievances were raised by the communities during such interactions.		
Shareholders and Investors.	Yes	(a) We have appointed M/s Integrated Registry Management Services Private Limited as our RTA for providing share registration and related services to the Shareholders and Investors. (b) The Company has a specific e-mail address earmarked for receiving investor complaints which is investor@kcp.co.in		

		<p>(c) A Board Level Committee viz., the Stake Holders Relationship Committee, has been mandated to oversee redressal of investor grievances, and review adherence to the service standards adopted by the Company in respect of its RTA activities.</p> <p>(d) Details of investor complaints received by the Company are filed on a quarterly basis with the Stock Exchanges where the Company's shares are listed, and with the SEBI on a half-yearly basis. During FY 2021-22.</p> <p>There were no shareholder/investor complaints pending for resolution at the end of the year</p>
Employees and workers	Yes	To address employee concerns and complaints pertaining to human rights and labour practices, a Grievance Redressal Procedure with appropriate systems and mechanisms has been instituted across KCP units. It aims to facilitate open and structured discussions on grievances raised on labour practices and human rights. The implementation is ensured by the respective unit heads and HR departments. During FY 2021-22, there were no complaints received and are pending resolution at the close of the year.
Customers	Yes	Robust systems have been put in place across KCP Businesses to continuously engage with dealers/consumers for gathering feedback and address their concerns, if any, in a timely manner. A dedicated customer interactions team is in place to address any product related query/ complaint. Several communication channels like email, telephone number and feedback forms are provided to the consumers. In addition, the Company has an online reputation management team which interacts with consumers via social media channels, and responds to their queries in a real time manner. A Customer Relationship Management (CRM) platform has been implemented for capturing customer complaints, queries, feedback and suggestions received across channels.
Value Chain Partners	No	-

The Company policies are hosted on the website at www.kcp.co.in/policies

24. Overview of the entity's material responsible business conduct issues

As a diversified enterprise, KCP continues to focus on a system-based approach to Business Risk Management. The management of risk is embedded in the corporate strategies of developing a portfolio of world-class Businesses that best match organisational capability with market opportunities, focusing on building distributed leadership and succession planning processes, nurturing talent and enhancing organisational capabilities through timely developmental inputs.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

The National Guidelines for Responsible Business Conduct (NGRBC) as prescribed by the Ministry of Corporate Affairs advocates nine principles referred as P1-P9 as given below:

P1	Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent and accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive towards all its stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect, protect and make efforts to restore the environment
P7	Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner.

Disclosure Questions		P	P	P	P	P	P	P	P	P
		1	2	3	4	5	6	7	8	9
Policy and Management processes										
1.	<p>a) Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)</p> <p>b) Has the policy been approved by the Board? (Yes /No)</p> <p>c) Weblink of the policies, if available.</p>	<p>Yes, KCP is guided by a comprehensive set of Board-approved Policies that cover NGRBC principles (P1 to P9) and the underlying core elements.</p> <p>The Company is also strengthening the mechanisms of engagement with key stakeholders, identification of material sustainability issues and progressively monitoring and mitigating the impacts along the value chain of each Business.</p>								
2.	Whether the entity has translated the policy into procedures. (yes / no)	<p>The Company will continue to update these systems and processes in line with evolving disclosure standards and Environmental, Social and Governance (ESG) requirements.</p> <p>The overall responsibility for ensuring the implementation of Sustainability Policies resides with the Business/ Unit heads.</p>								
3.	Do the enlisted policies extend to your value chain partners? (yes / No.)	<p>The Risk Management Committee has the overall responsibility to monitor and evaluate compliance with these Policies. The overall responsibility for implementation of KCP's CSR Policy is vested with the Companies executives and CSR Committee monitors the implementation process.</p> <p>The Policies covering these principles are available on the Company's website www.kcp.co.in under 'Our Policies' section.</p>								

4.	Name of the national and international codes/ certifications / labels / standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards, (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	KCP's manufacturing facilities have well-defined Environment, Health and Safety (EHS) and quality management systems in place, and are aligned with International Standards.
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.	KCP has set short-to-medium targets for key priority areas like climate change, water stewardship, and sustainable livelihoods.
6.	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	In line with the above, KCP's Businesses have targets for key performance indicators (KPIs) like specific energy consumption, specific greenhouse gas emissions, specific water intake and specific waste generation. In order to achieve these targets, all KCP Units have established management systems which entail regular monitoring of environmental KPIs, development of an environmental management plan, and reviewing progress on a regular basis to ensure that Businesses are on track with respect to the agreed roadmap.

Governance, leadership and oversight

<p>7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure.</p> <p>At KCP, we are extremely mindful of using the right proportion of resources and caring sustainably.</p> <p>We have adopted the triple bottom line approach, which includes Environment, Society and Governance (ESG), to evaluate our performance and value creation. We are relentlessly looking for revolutionary and innovative solutions to reduce our environmental footprint, enhance sustainability into our operations and make prosperity scalable for all.</p>		
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	At the highest level, the Board of Directors of the Company, led by the Chairperson & Managing Director, has the primary role of trusteeship to protect and enhance shareholder value. As trustees, the Board ensures that the Company has clear goals aligned to shareholder value and its growth, and also in line with its Sustainability agenda. The CSR and Risk Management Committees of the Board, reviews and oversees implementation of the Sustainability Policies of the Company on an annual basis. In addition, the Committee and the Board also review the progress of implementation of the Company's CSR Programmes, on a half-yearly basis.

9.	Does the entity have a specified Committee of the Board / Director responsible for decision making on sustainability related issues ? (Yes / No). If yes, provide details.	Yes, as mentioned above, the CSR and Risk Management Committees of the Board, inter alia, reviews, monitors and provides strategic direction to the Company's CSR and sustainability practices towards fulfilling its Triple Bottom Line objectives. The Committees seeks to guide the Company in crafting unique models to support creation of sustainable livelihoods together with environmental regeneration.
----	--	---

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board / Any other committee									Frequency (Annually / Half Yearly / Quarterly / Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	H	H	H	H	H	H	H	H	H
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances.	Y	Y	Y	Y	Y	Y	Y	Y	Y	H	H	H	H	H	H	H	H	H

11. Has the entity carried out independent assessment / evaluation of the working of its policies by an external agency ? (Yes / No). If yes, provide name of the agency.	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	N	N	N	N	N	N	N	N	N

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes / No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes / No)						-NIL-			
The entity does not have the financial or / human and technical resources available for the task (yes / NO)									
It is planned to be done in the next financial year (yes/no)									
Any other reason (Please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors	The Directors of the Company are briefed on the sustainability initiatives of the Company from time to time. The Directors are also updated on changes/developments in the domestic/global corporate and industry scenario including those pertaining to statutes/legislation & economic environment and on matters affecting the Company, to enable them to take well informed and timely decisions.		
Key Managerial Personnel	The Company periodically updates and familiarises employees on the following: 1. KCP's Code of Conduct which covers aspects such as Corporate Governance & Good Corporate Citizenship 2. Whistle blower Policy of the Company 3. Sustainability Policies of the Company.		
Employees other than Bod and KMPs.			
Workers			

Note: • All the principles laid down in BRSR are covered by KCP mandatory trainings and Employees Code of Conduct, which is adhered to by all employees.

- Awareness programs covering the applicable principles were held and attended by all respective committee members of the Board and/or the Board of Directors.

2. Details of fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators / law enforcement agencies / judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

NIL

3. Of the instances disclosed in Question 2 above, details of the Appeal / Revision preferred in cases where monetary or non-monetary action has been appealed.

NA

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

The Company's Code of Conduct covers aspects relating to anti-corruption or anti-bribery. In terms of the said Code, the Company believes in conducting its business in a transparent manner and does not indulge in bribery or corruption. The KCP Code of Conduct can be accessed on the Company's corporate website at: <http://www.kcp.co.in/downloads/investor/corporate-governance/code-of-conduct-directors.pdf> and <http://www.kcp.co.in/downloads/investor/corporate-governance/employee-code-ethics-conduct.pdf>

5. **Number of Directors / KMPs / employees / workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery / corruption:**

NIL

6. **Details of complaints with regard to conflict of interest:**

	FY 2021-22 (Current Financial Year)		FY 2020-21 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	NA	Nil	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs.	Nil	NA	Nil	NA

7. **Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators / law enforcement agencies / judicial institutions, on cases of corruption and conflicts of interest.**

Not Applicable

Leadership Indicators.

1. Awareness Programmes conducted for value chain partners on any of the principles during the financial year:

KCP facilitates capacity building workshops for its key value chain partners to educate, and create shared awareness on key areas like human rights, labour practices and sustainability.

2. **Does the entity have processes in place to avoid / manage conflict of interests involving members of the Board? (Yes / No) If yes, provide details of the same.**

Yes, the KCP Code of Conduct requires the Directors, senior management and employees to avoid situations in which their personal interests could conflict with the interests of the Company.

The Code, inter alia, clarifies that conflict of interest may arise when:

- (a) an employee or a family member (family member includes spouse, children, siblings and parents) has a material interest in an entity that has a business relationship with the Company or is being evaluated for a commercial transaction, or
- (b) an employee is in a position to benefit someone with whom he / she has a close relationship, in relation to the Company's business.

Further, the Directors of the Company are required to disclose to the Board, on an annual basis, whether they, directly or indirectly or on behalf of third parties, have material interest in any transaction or matter directly affecting the Company.

PRINCIPLE 2

Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

In pursuit of environmental excellence, all Business units continued their efforts to improve energy usage efficiencies and increase the share of renewable energy. For more details on steps taken and efforts made towards conservation of energy, utilising alternate sources of energy, technology absorption and the expenditure incurred on Research and Development, refer to the 'Disclosure on Conservation of Energy and Technology Absorption' forming part of the Report of the Board of Directors.

2. a. **Does the entity have procedures in place for sustainable sourcing? (Yes / No)**

Yes. The Company seeks to engage in long-term relationships with the suppliers.

The Company has a procedure in place for sustainable sourcing of energy, water and transportation. It is also increasing the usage of Alternate Fuel and Raw Materials.

- b. **If yes, what percentage of inputs were sourced sustainably?**

100%

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-Waste (c) Hazardous waste and (d) other waste.**

Cement manufacturing process does not generate any process-related wastes. However, there are ancillary activities like maintenance, housekeeping etc. that generate waste materials like oil-soaked cotton waste, steel scrap, used oil, used filter bags, electrical waste like used bulbs, batteries and others. Sometimes wastes like oil-soaked cotton, used oil, used filter bags are co-processed in the kilns (where the Company has permissions), remaining quantum of these waste and other wastes like electrical, electronic waste and steel scrap are sold to the authorised recyclers. For hazardous waste, the relevant returns are filed to the respective regulatory authorities from time to time.

in cement manufacturing we will use flyash, a waste from thermal power stations and slag, a waste from the steel industry as a substitution to coal/ pet coke.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

No

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

KCP is in compliance with the requirements of Plastic Waste Management Rules, 2016 and subsequent amendments

PRINCIPLE 3

Businesses should respect and promote the well-being of all employees, including those in their value chains

1. Details of measures for the well-being of employees:

% of Employees covered by											
category	Total (a)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		No	%	No	%	No	%	No	%	No	%
Permanent employees											
Male	638	638	100	638	100	0	0	0	0	0	0
Female	15	15	100	15	100	15	100	0	0	0	0
Total	653	653	100	653	100	15	100	0	0	0	0
Other than Permanent employees											
Male	208	208	100	208	100	0	0	0	0	0	0
Female	12	12	100	12	100	12	100	0	0	0	0
Total	220	220	100	220	100	12	100	0	0	0	0
% of Workers covered by											
Category	Total (a)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		No	%	No	%	No	%	No	%	No	%
Permanent workers											
Male	203	203	100	203	100	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	203	203	100	203	100	0	0	0	0	0	0
Other than Permanent workers											
Male	91	91	100	91	100	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	91	91	100	91	100	0	0	0	0	0	0

2. Details of retirement benefits, for Current FY and Previous Financial Year.

	Current Financial Year			Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority
PF	100	100	Yes	100	100	Yes
Gratuity	100	100	N.A	100	100	N.A
ESI	23	30	Yes	29	20	Yes

3. **Accessibility of workplaces** Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Our establishments are accessible to the differently abled, and we are continuously working towards improving infrastructure for eliminating barriers to accessibility.

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

Yes, the Company has Policy.

5. **Return to work and retention rates of permanent employees and workers that took parental leave**
100%

6. **Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.**

Yes, KCP 's Grievance Redressal Procedure is available to employees and workers. The objective of the policy is to facilitate open and structured discussion on employees' work-related grievances with the intent of ensuring that the grievance is dealt with in a fair and just manner whilst being in compliance with the Company's policies further KCP's opendoor practices encourage an amicable and fair resolution of grievances. Employees are encouraged to first discuss the grievance with their immediate reporting authority, and attempt to arrive at a resolution before invoking a formal grievance redressal mechanism.

7. **Membership of employees and worker in association(s) or Unions recognised by the listed entity:**

All eligible workers/employees are members of the unions recognised by the company.

8. **Details of training given to employees and workers:**

Category	FY 2021 -2022 Current Financial year					FY 2020 -2021 Previous Financial year				
	Total (A)	On Health and safety measure		On skill upgradation		Total (D)	On Health and safety measure		On skill upgradation	
		No (B)	% (B/A)	No. (C)	% (C/A)		No (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	846	418	49%	515	61%	814	294	36%	468	57%
Female	27	12	44%	10	37%	25	6	24%	11	44%
Total	873	430	49%	525	60%	839	300	36%	479	57%
Workers										
Male	294	145	49%	112	38%	311	112.5	36%	89	29%
Female	0					0				
Total	294	145	49%	112	38%	311	112.5	36%	89	29%

9. Details of performance and career development reviews of employees and worker:

Category	FY 2021 -2022 Current Financial year			FY 2020 -2021 Previous Financial year		
	Total (A)	No (B)	% (B/A)	Total ('C)	No (D)	% (D/C)
Employees						
Male	846	639	76%	814	627	77%
Female	27	12	44%	25	13	52%
Total	873	651	75%	839	640	76%
Workers						
Male	Covered under union wage settlement (labour agreement)					
Female						
Total						

10. Health and safety management system:

- a. **Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

Yes, KCP has implemented occupational health and safety management system. The Company believes that a safe and healthy work environment is a pre-requisite for employee well-being, and the adoption of best practices in occupational health and safety have a direct impact on its overall performance. It helps in attracting and retaining quality talent, besides being the duty of the Company as a responsible corporate citizen. KCP endeavours that Environment, Health & Safety (EHS) standards at all its units are ahead of applicable legislation and regulations, and Standards and Codes, and are benchmarked against international best practices across sectors in which it operates. It is based on an EHS management system that emphasises on enhancing EHS performance by setting objectives and targets and continually monitoring key performance indicators. Further, it promotes a culture of safety through behaviour change programmes and by providing appropriate training to employees as well as service providers' employees, while continually investing in state-of-the-art technology and in developing human capital. EHS requirements are integrated at the design stage for all new investments. Compliance with EHS standards during the construction phase as well as in operation phase of KCP units, and Offices is ensured by implementing project EHS management systems and through established EHS management systems with designated roles and responsibilities for competent resources respectively.

- b. **What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

KCP has identified the EHS Risk Management framework as one of the integral steps towards building a robust safety management system. This framework entails a set of processes for continual risk identification, assessment and mitigation, with active participation of the workforce in each of its facilities. Shop floor processes in this regard include hazard spotting tours, suggestion schemes, daily briefings and periodic EHS committee meetings in which employees participate. In addition, all KCP Units undergo periodic Environment, Health & Safety audits at the Business as well as corporate level to verify compliance with standards. Several national awards and certifications acknowledge our commitments towards safety at work place.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes. A system is in place across KCP factories, Engineering unit, hotels and offices for workers to spot and report work-related hazards, and offer suggestions for improvements. Necessary training is given to all employees in recognising hazards and issues. Joint inspections by management representatives and employees on the shop floor are also carried out at regular intervals, and respective corrective and preventive measures are undertaken to mitigate the identified risks. In order to create an open and transparent safety culture across KCP Units, employees are encouraged to participate and discuss safety related issues in forums like periodic EHS Committee meetings and Departmental Open Forums.

d. Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (Yes/No)

Yes, permanent employees and their family members have access to the Company provided or Company supported medical benefits. Workers have access to medical benefits through Company provided group insurance policies, Company funded medical support and where applicable, statutory benefits under ESIC.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2021-2022	FY 2020-2021
		Current Financial Year	Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million –person hours worked)	Employees	Nil	Nil
	Workers	Nil	Nil
Total recordable work-related injuries	Employees	Nil	Nil
	Workers	Nil	Nil
No. of fatalities	Employees	Nil	Nil
	Workers	Nil	Nil
High consequence work-related Injury or ill health (excluding fatalities)	Employees	Nil	Nil
	Workers	Nil	Nil

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

Health Safety Measures:

- All the employees wear masks while coming plant & also use during working hours.
- Thermo screening checks up at main gate for all who come inside plant.
- Hands sanitation at main gate for all and also at appropriate locations.
- Observe the maintenance of social distancing at work place
- Truck drivers are not permitted to get down from the trucks.
- To control chKCPPhatting at loading with truck drivers
- Observe the people who are violating the rules by chewing tobacco, pan parag & gutka in the premises and report to HR&S department.
- Prohibited spitting in open areas which is a bad habit and cause spread of corona.

13. Number of Complaints on the following made by employees and workers:

	FY :2021-22 (Current Financial Year)			FY:2020-21 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions Health & Safety	-----	Nil		-----	Nil	

14. Assessments for the year: % of your plants and offices that were assessed (by entity or statutory authorities or third parties)

Most of our Plants and Offices are covered.

15. Provide detail of any corrective action taken or underway to address safety-related Incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Nil

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes. In the unfortunate event of the death of an employee including workers, the Company extends financial support to family members of the employee.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners: Updated & Maintained.

The Company ensures that statutory dues as payable by service providers for their employees are deposited on time and in full through a process of periodic audits and controls.

3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY:2021-2022 (Current Financial Year)	FY:2020-2021 (Previous Financial Year)	FY:2021-2022 (Current Financial Year)	FY:2020-2021 (Previous Financial Year)
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes / No)

KCP continually invests in human capital development which includes building skills and capabilities that are contemporary while providing employees with a diversity of experiences. These enhance the employability of the workforce and enable a smooth transition to alternate opportunities where sought. In addition, the Company provides the pension benefits for those members of staff who qualify. Workers are provided pension benefits covered under the relevant statute.

5. Details on assessment of value chain partners:

Health and safety practices Working Conditions	NA
--	----

6. Provide details of any corrective actions taken or underway to address significant risks /concerns arising from assessments of health and safety practices and working conditions of value chain partners: **NA**

PRINCIPLE 4:

Businesses should respect the interest of and be responsive to all its stakeholders

Essential Indicators

1. **Describe the processes for identifying key stakeholder groups of the entity.**

Yes, the Company has mapped its stakeholders through materiality matrix as a part of its stakeholder engagement strategy development process.

KCP engages with a broad spectrum of stakeholders, to deepen its insights into their needs and expectations, and to develop sustainable strategies for the short, medium and long term.

Stakeholder engagement also helps to manage risks and opportunities in business operations.

The key stakeholders identified in consultation with the company’s management are: customers, employees, shareholders, academic institutions, head-hunters, staffing firms, other suppliers, partners and collaborators, industry bodies such as FICCI and CII, governments, NGOs, local communities, regulators and society at large.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Our Stakeholder group includes shareholders, consumers, employees, local communities, suppliers, Dealers and other Customers/Clients.

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

The Board, through its CSR Committee, inter alia, reviews, monitors and provides strategic direction to the Company’s CSR practices towards fulfilling its Triple Bottom Line objectives.

2. **Whether stakeholder consultation is used to support the identification and management of environmental and social topics (Yes/ No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Yes, The Company believes that an effective stakeholder engagement process is necessary for achieving its sustainability goal of inclusive growth.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable / marginalized stakeholder groups.

KCP adopts a bottom-up approach to identify and address the emerging needs of the community and prepares Annual action plan for the approval of the Board through CSR committee.

PRINCIPLE 5

Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	Fy 2021 -22 Current Financial year			Fy 2020 -21 Previous Financial year		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	653	50	8%	647	10	2%
Other than permanent	220	5	2%	192	5	3%
Total Employees	873	55	10%	839	15	4%
Workers						
Permanent	203	10	5%	229	5	2%
Other than permanent	91	4	4%	82	2	2%
Total Workers	294	14	9%	311	7	5%

2. Details of minimum wages paid to employees and workers, in the following format:

For all employees and workers, more than minimum wages were paid.

3. Details of remuneration / salary / wages, in the following format:

Particulars of Executive Directors.	Salary & Perquisites (Rs.in Lakhs)	Commission (Rs.in Lakhs)	Total (Rs.in Lakhs)
Dr. V.L. Indira Dutt Chairperson & Managing Director	267.57	511.24	778.81
Smt. V. Kavitha Dutt, Joint Managing Director	177.18	406.93	584.11

- a) The ratio of the remuneration of each director to the median employee's remuneration for the financial year and such other details as prescribed is as given below:

Name of the Director	Director remuneration (Rs in Lakhs)	Median employee's remuneration (Rs in Lakhs)	Ratio
Dr. V.L. Indira Dutt - CMD	778.81	5.63	138.33
Smt. V. Kavitha Dutt - JMD	584.11	5.63	103.75

b) The percentage increase/ (decrease) in the median remuneration of employees in the Financial Year: **(.006%)**

Notes:

- At KCP, remuneration is the same for men and women working full-time, in the same grade, in the same role, and at the same location.
- Do you have a focal point (Individual / Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? **Yes**
- Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company has always believed in open and transparent communication. Employees are encouraged to share their concerns with their functional heads, HR or the members of the senior management. The Company has always followed an open-door policy, wherein any employee irrespective of hierarchy has access to the senior management. In addition, the Corporate Whistle blower Initiative (CWI) provides a formal platform to share grievances on various matters. The details of the grievance mechanism and CWI are shared with employees through a specific module. The Company has a policy on prevention, prohibition and redressal of sexual harassment of women at the workplace and has an Internal Complaints Committee (ICC) in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

6. Number of Complaints on the following made by employees and workers:

	FY _____ Current Financial Year			FY _____ Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment						
Discrimination at workplace						
Child Labour				-NIL-		
Forced Labour / Involuntary Labour						
Wages						
Other human rights related issues						

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company on a regular basis sensitises its employees on the prevention of discrimination and harassment cases at the workplace through workshops, group meetings, online training modules and awareness programmes which are held on a regular basis.

8. Do human rights requirements form part of your business agreements and contracts? (Yes / No)

Yes

PRINCIPLE 6:

Business should respect and make efforts to protect and restore the environment

Essential indicators

1. Details of total energy consumption (in joules or multiples) and energy intensity, in the following format (Details mostly pertaining to Cement Production Unit, Macherla)

KCP uses multiple energy sources in its daily operations, electricity being the primary source. Majority of the electricity comes from conventional sources, but KCP has increased the share of renewable electricity (RE) over the years through Wind power, Solar and Hydel Energy.

Parameter	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
Total electricity consumption (A)	1,22,89,46,40,000	96,52,39,20,000
Total fuel consumption (B)	17,84,38,97,44,330	13,75,59,89,68,213
Energy consumption through other sources (C)	53,33,71,21,200	41,28,84,86,400
Total Energy Consumption (A+B+C)	19,60,62,15,05,530	15,13,41,13,74,613
Energy intensity per rupee of turnover (<i>Total energy consumption/ turnover in rupees</i>)		
Energy intensity (<i>optional</i>) – the relevant metric may be selected by the entity		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

➤ No

2. Does the entity have any sites / facilities identified as Designated Consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Yes, we are the Designated consumer. PAT cycle -1 we have achieved the targets given by M/S.BEE and got 375 Positive E –Scerts.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2021-2022 (Current Financial Year)	FY 2020-2021 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	Nil	Nil
(ii) Groundwater	217229	214659
(iii) Third party water	Nil	Nil
(iv) Seawater / desalinated water	Nil	Nil

(v) Others	Nil	Nil
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	217229	214659
Total volume of water consumption (in kilolitres)	217229	214659
Water intensity per rupee of turnover (Water consumed / turnover)		
Water intensity (Optional) – the relevant metric may be selected by the entity		

Note: Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

➤ No

5. Please provide details of air emission (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
NOx	mg/Nm ³	289	236
SOx	mg/Nm ³	9	3
Particulate matter (PM)	mg/Nm ³	13	17
Persistent organic pollutants (POP)	µg/m ³	NA	NA
Volatile organic compounds (VOC)	µg/m ³	NA	NA
Hazardous air pollutants (HAP)	mg/Nm ³	NA	NA
Others – please specify		NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

➤ The above assessments are carried out by external agency M/s Sri Durga Civil & Enviro consultants, Vijayawada, AP.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	4,18,460	34,2909

Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂	25,010	21,368
Total Scope 1 and Scope 2 emission per rupees of turnover	<i>equivalent</i>		
Total Scope 1 and Scope 2 emission intensity (Optional) – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) if yes, name of the external agency.

➤ NO

7. Does the entity have any project related to reducing Green House Gas emission? If Yes then provide details.

➤ NO

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2021-2022 (Current Financial Year)	FY 2020-2021 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	-	-
E-Waste (B)	2.30	-
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery waste (E)	-	-
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	-	-
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e, by materials relevant to the sector)		
Total (A+B + C + D + E + F + G+ H)	2.30	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tons)		
Category of waste		
(i) Recycled	-	-
(ii) Re-used	-	-
(iii) other recovery operations	-	-
Total	-	-
For each category of waste generated, total waste disposed by nature of disposal method (in metric tons)		
Category of waste		
(i) Incineration		

(ii) Landfilling		
(iii) other disposal operations	2.30	-
Total	2.30	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

- The above “E-waste(B)” material disposed to APPCB recognized external agency M/s Appana Bhoomi Kusalapuram, Srikakulam, AP.

9. Briefly describe the waste management practices adopted in you establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

- Not Applicable

Leadership Indicators

1. Provide break-up of the total energy consumed (in joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2021-2022 (Current Financial Year)	FY 2020-2021 (Previous Financial Year)
From renewable sources		
Total electricity consumption (units) (A)	15,77,83,39,200	10,65,83,14,800
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	53,33,71,21,200	41,28,84,86,400
Total energy consumed from renewable sources (A+B+C) (Units)	69,11,54,60,400	51,94,68,01,200
From non-renewable sources		
Total electricity consumption (D)	1,07,11,63,00,800	85,86,56,05,200
Total fuel consumption (E)	1784389744330	1375598968213
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	18,91,50,60,45,130	14,61,46,45,73,413

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, Name of external agency.

- NO

2. Provide the following details related to water discharged:

Parameter	FY 2021-2022 (Current Financial Year)	FY 2020-2021 (Previous Financial Year)
Water withdrawal by source (in Kilolitres)		
(i) To Surface water	Nil	Nil
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(ii) Ground water	9,270	6,960
- No treatment	Nil	Nil

- With treatment – please specify level of treatment	Nil	Nil
(iii) Seawater	Nil	Nil
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(iv) Sent to third – Parties	Nil	Nil
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(v) Others	Nil	Nil
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
Total Water discharged (in kilolitres)	9270	6960

Note: Indicate if any independent assessment/ evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of external agency.

➤ NO

3. water withdrawal, consumption and discharge in areas of water stress (in Kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area
- (ii) Nature of operations
- (iii) water withdrawal, consumption and discharge in the following format:

Parameter	FY 2021-2022 (Current Financial Year)	FY 2020-2021 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) To Surface water	Nil	Nil
(ii) Ground water	2,17,229	2,14,659
(iii) Third – Party water	Nil	Nil
(iv) Sea water	Nil	Nil
(v) Others	Nil	Nil
Total volume of water withdrawal (in Kilolitres)	2,17,229	2,14,659
Total volume of water Consumption (in Kilolitres)	2,17,229	2,14,659
Water intensity per rupee of turnover (Water consumed / turnover)		
Water intensity (Optional) – the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in Kilolitres)		
(i) Into Surface water		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(ii) Into Ground water	9270	6960
- No treatment	Yes	Yes

- With treatment – please specify level of treatment	Nil	Nil
(iii) into Sea water		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(iv) Sent to third-parties		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(v) Others		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
Total water discharged (in Kilolitres)	9270	6960

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of external agency.

➤ NO

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2021-2022 (Current Financial Year)	FY 2020-2021 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG n to CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, If available)	Metric tonnes of CO2 equivalent		
Total Scope 3 emissions per rupee of turnover			
Total Scope 3 emission intensity (Optional) – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of external agency.

5. with respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas long-with prevention and remediation activities.

NA

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improved resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as will as outcome of such initiatives, as per the following format:

No..	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	CPCB	https://industrialambient.cpcbccr.com	Complete

8. Does the entity have a business continuity and disaster management plan? Given details in 100 words / web link.

Yes, KCP has a Business Continuity and Disaster Management Plan designed to address the threat of disruptions to business activities or processes. Business Continuity Planning validates the adequacy of the existing systems and processes to prevent and recover from potential threats. It ensures continuity of delivery of products or services at pre-defined acceptable levels following a disruptive incident. Comprehensive Business Continuity Plans have been made covering all facets of operations, and are being tested at pre-determined intervals.

7. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaption measures have been taken by the entity in this regard?

KCP has a robust process of evaluating its Suppliers and Service Providers before engaging with them, proactively making them aware of its expectations/ requirements, and seeking commitment for compliance through contractual agreements.

8. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

100%

PRINCIPLE 7

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

Essential Indicators

1. a. Number of affiliations with trade and industry chambers / associations.
- b. List of top 10 trade and industry chambers / associations (determined based on the total members of such body) the entity is a member of / affiliated to.

No.	Name of the trade and industry chambers / associations	Reach of trade and industry chambers /associations (State / National)
1.	Cement Manufacturing Association (CMA)	National
2.	Confederation of Indian Industries (CII)	National
3.	Federation of Indian Chambers of Commerce and Industry (FICCI)	National
4.	National Safety Council (NSC)	National
5.	Indian Green Buildings Council (IGBC)	National
6.	Andhra Chamber of Commerce	Tamilnadu
7.	Madras Management Association	Tamilnadu
8.	Federation of Indian Exports Organization	National
9.	ICC India	National
10.	Indo Japan Chamber of commerce & Industry	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
NA	NA	NA

Leadership Indicators

1. Details of public policy positions advocated by the entity:

- The Company actively works with above associations and advocate in the areas relevant for the industry.
- the Company has utilized these forums for advocating framing of policies for advancement of public good.

PRINCIPLE 8

Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Company engages with local communities to discuss and understand their needs, identify the priority intervention areas and gauge the impact of its interventions and None of the projects undertaken by KCP in FY 2021-22 required Social Impact Assessments (SIA)

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Not applicable

3. Describe the mechanisms to receive and redress grievances of the community.

KCP's Social Investments Programme (SIP) adopts a bottom-up approach by keeping community needs and priorities at the centre of all its interventions. Detailed and structured community engagements are planned periodically to revisit the changing needs of the community and the emerging priorities feed into designing and re-designing of ongoing and new programmes. Further, regular community interactions are undertaken by the internal state level programme teams and the implementing partners to discuss, identify and address any issues, complaints and grievances of the community members pertaining to the operations of Social Investments Programme. SIP has also formalised and internalised the process of undertaking and recording such community interactions in line with the new SEBI guidelines on Business Responsibility and Sustainability Reporting.

4. Percentage of Input material (inputs to total inputs by value) sourced from suppliers:

Not applicable

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above).

Not applicable

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Details provided as Annexure to Directors' Report

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized / vulnerable groups? (Yes/No)

Not applicable

(b) From which marginalized / vulnerable groups do you procure?

(c) What percentage of total procurement (by value) does it constitute?

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year) based on traditional knowledge.

Not applicable

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Not applicable

6. Details of beneficiaries of CSR Projects:

No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Promotion of Health care, Sanitation & Making availability of SDW	Communities around our operations	100%
2	Promoting education and Employment enhancing Vocational skills among Children, Women, Elderly and the Differently abled and Livelihood Enhancement Projects	Communities around our operations	100%
3	Promoting Gender equality Empowering women and selling up homes for women and measures for reducing in equalities faced by Socially and Economically Backward groups	Communities around our operations	100%
4	Ensuring Environmental Sustainability Ecological balance, Conservation of Natural Resources and maintaining quality of Soil Air, Water and Rural Development.	Communities around our operations	100%

PRINCIPLE 9

Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

KCPS” customers are provided with multiple mechanisms to report complaints or feedback.

Company regularly conducts meetings with customers to educate, appraise and understand their concerns. All the concerns are taken up and resolved immediately to the satisfaction of the customers.

2. Turnover of products and / services as a percentage of turnover from all products / service that carry information about:

All Products/Services of the Company contain all relevant information as required under applicable laws.

3. Number of consumer complaints in respect of the following:

Robust systems have been put in place across KCP Businesses to continuously engage with consumers for gathering feedback and address their concerns, if any, in a timely manner.

A dedicated consumer interactions team is in place to address any product related query/ complaint. Several communication channels like email, telephone number and feedback forms are provided to the consumer. In addition, the Company has an online reputation management team which interacts with consumers via social media channels, and responds to their queries in a real time manner.

A Customer Relationship Management (CRM) platform has been implemented for capturing complaints, queries, feedback and suggestions received across channels. The CRM platform also provides consumer insights for bringing about process related changes and system enhancements for improving the CSAT (Customer Satisfaction) scores.

During FY 2021-22, around 10,000 complaints were received across Businesses, and more than 97% of these were resolved as on 31st March, 2022.

4. Details of instances of product recalls on account of safety issues:

Not applicable

5. Does the entity have a framework / policy on cyber security and risks related to data privacy? (Yes / No) If available, provide a web-link of the policy.

We have Risk Management Policy which can be accessed at: <http://www.kcp.co.in/downloads/investor/corporate-governance/risk-policy-procedures.pdf>

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Not applicable

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

The Company website www.kcp.co.in

2. Steps taken to inform and educate consumers about safe and responsible usage of products and / or services.

All Businesses of the Company comply with the regulations and relevant voluntary codes concerning marketing communications, including advertising, promotion and sponsorship. The Company's communications are aimed at enabling consumers to make informed purchase decisions. The Company also makes efforts to educate consumers on responsible usage of its products and services.

3. Mechanisms in place to inform consumers of any risk of disruption / discontinuation of essential services.

The Company has necessary mechanisms in place to inform consumers if any major discontinuation happens

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes /No/ Not applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes / No)**

No, the Company only displays information as mandated by local laws. No additional information is being provided on the cement bags. The Company follows the guidelines shared by the respective authorities.

5. Provide the following information relating to data breaches:

NIL

6. Details of instances of product recalls on account of safety issues:

NIL

7. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No), If available, provide a web-link of the policy.

Yes. The policy can be accessed at: <http://www.kcp.co.in/downloads/investor/corporate-governance/risk-policy-procedures.pdf>

Corporate Governance Report

The Board of Directors present the Company's report on Corporate Governance for the year ended March 31, 2022, in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("The Listing Regulations") as amended.

The Company's philosophy on code of Governance

The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large, the Company has over the years maintained the highest standards of corporate governance processes and has had the foresight to set up corporate governance practices much before their implementation was mandated through the introduction of regulatory requirements.

The Company's governance framework is based on the following principles:

- Appropriate composition and size of the Board, with each member bringing in expertise in their respective domains and the Board remains custodian of trust and acknowledges its responsibilities towards stakeholders for sustainable long-term wealth creation.
- Availability of information to the members of the Board and Board Committees to enable them to discharge their fiduciary duties;
- Timely disclosure of material operational and financial information to the stakeholders;

The Company regularly reviews its Corporate Governance practices to ensure that they reflect the latest developments in the corporate arena and thus position itself to conform to the best Corporate Governance practices.

The report on Corporate Governance is divided into four parts:

- I. Board of Directors
- II. Committees of the Board
- III. Shareholders' information
- IV. Disclosures and Other Information

I. BOARD OF DIRECTORS

The Company is managed by the Board of Directors (the Board), which provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosures.

Dr.V.L. Indira Dutt, Chairperson & Managing Director and Smt. V. Kavitha Dutt, Joint Managing Director manage the business of the Company under the overall supervision, control and guidance of the Board.

The composition of the Board is in conformity with Regulation 17 and Regulation 17A of the SEBI Listing Regulations read with Section 149 of the Act.

In terms of the provisions of the Act and the SEBI Listing Regulations, the Directors of the Company submit necessary disclosures regarding the positions held by them on the Board and/ or the Committees of other companies with changes therein, if any, on a periodical basis. On the basis of such disclosures, it is confirmed that as on March 31, 2022, none of the Directors of the Company:

- holds Directorship positions in more than twenty (20) companies [including ten (10) public limited companies and seven (7) listed companies];
- holds Executive Director position and serves as an Independent Director in more than three (3) listed companies; and
- is a member of more than ten (10) Committees and/ or Chairperson of more than five (5) Committees, across all the Indian public limited companies in which they are Directors.

For the purpose of determination of Committee position limits, chairperson and membership positions of the Audit Committee ('AC') and the Stakeholders' Relationship Committee ('SRC') have

been considered in terms of Regulation 26 of the SEBI Listing Regulations.

The Shareholders' approval has been obtained for the Directors, who have attained the age of Seventy-five (75) years by way of special resolution.

Duties and Functions of the Board

The Board has the responsibility to oversee the conduct of the Company's business and to supervise and support the Management, which is responsible for the day-to-day operations. It does this by providing strategic guidance, monitoring operational performance and ensures that robust policies and procedures are in place.

The Board through its various committees, also reviews the identified risks and the mitigation measures undertaken/to be undertaken in respect thereof, ensures integrity in the Company's accounting and financial reporting systems, adequacy of internal controls and compliance with all relevant laws and discharges its functions towards CSR.

In particular, the Board reviews and approves quarterly/half-yearly, unaudited financial results and the audited annual financial statements (both consolidated and standalone), corporate strategies, business plans, annual budgets, sets corporate objectives and monitors their implementation and oversees major capital expenditure.

a) Composition and category of Board of Directors:

At KCP we believe that an active, well-informed and independent board is necessary to ensure the highest standards of corporate governance and it has an appropriate mix of Executive and Non-executive independent directors and Non-Executive Directors to maintain independence.

The Board comprises the required combination of Independent and Non-Independent Directors, including an Independent Woman Director in line with the provisions of the Companies Act, 2013 ('the Act') and the Securities and Exchange

Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('the SEBI Listing Regulations'). The Company's Chairperson & Managing Director and Joint Managing Director are the Executive Directors on the Board.

Dr. V.L. Indira Dutt Chairperson of the Board is an Executive Director.

Non-executive Independent Directors were appointed for a specific term as recommended by NRC and their appointments were approved by the Board and the members at their respective meetings.

Executive and Non-Executive Directors were appointed as per the provisions of the law.

The Composition of Board (as on March 31, 2022) is as under:

Category	Number of Directors
Executive Promoter Directors including the Chairperson	2
Independent Directors	5
Non-Executive Non-Independent Directors	3
Total	10

Directors' Directorships/Committee Memberships

In accordance with Regulation 26 of the Listing Regulations, none of the Directors are members in more than 10 committees excluding private limited companies, foreign companies, high value debt listed entities and companies under Section 8 of the Act or acts as Chairperson of more than 5 committees across all listed entities in which he/she is a Director. The Audit Committee and Stakeholders Relationship Committee are only considered in computation of limits. The details of the Board of Directors as on March 31, 2022 and memberships/chairmanships including any changes in their positions are given below:

Name of the Director	* Number of Directorship(s) held in Indian Public limited companies (Including KCP)	Directorships with other listed companies	** Committees position (Including KCP)		No. of shares held by Directors
			Chairperson	Member	
Non-Executive Independent Directors:					
Sri V.H. Ramakrishnan	2	Sagar Cements Ltd	0	3	0
Sri. Vijay Sankar	6	1.Oriental hotels limited 2.Transport Corporation of India Limited 3. Chemplast Sanmar Limited	2	4	0
Sri. P.S. Kumar	2	-	2	-	0
Sri. M. Narasimhappa	2	-	-	2	0
Smt. Janaki Pillai	1	-	-	-	-
Executive Promoter Directors:					
Dr. V.L. Indira Dutt Chairperson & Managing Director	2	-	-	1	9969901
Smt. V. Kavitha Dutt, Joint Managing Director	7	1. DCM Shriram Industries Limited 2. Apollo hospitals Enterprise Limited 3. Centrum Electronics Limited	1	3	1360000
Dr. Subbarao Vallabhaneni	1	-	-	-	116130
Sri. Chandra Kumar Prasad	2				1000
Sri. Ravi Chitturi	2				0

Notes:

1. Membership of Committee only includes Audit Committee and Stakeholders Relationship Committee in Indian Public Limited Companies including the KCP Limited.

b) Board Meetings

The Board meets at least once in each quarter to review the matters specifically reserved for its attention, to ensure that it exercises full control over significant strategic, financial, operational and compliance matters. In addition to these meetings, additional Board meetings are held to approve the Business Plan and Long-Term Strategies of the Company.

The board is regularly briefed and updated on the key activities of the business and is provided with presentations on operations, quarterly financial statements and other matters concerning the Company.

The Board meetings are generally scheduled in advance. Notice and detailed notes on agenda of each Board Meetings are given in writing to all directors in advance of the meetings in compliance with Secretarial Standard on Meeting of the Board of Directors (SS-1) issued by the Institute of Company Secretaries of India. Where it is not possible to enclose any document to the agenda, the same is tabled at the Meeting.

The Board periodically reviews compliance reports of all laws applicable to the Company, as prepared by the Company as well as steps taken by the Company to rectify instances of non-compliances. The Board is also free to recommend inclusion of any matter for discussion in consultation with the Chairperson and Managing Director.

All the discussions and decisions taking place in every meeting of the Board are entered in the Minute Book. The draft minutes are circulated within the specified time to the Board and suggestions or comments for changes, if any, received are suitably incorporated in the minutes and the minutes are signed by the Chairperson of the same meeting or by the Chairperson of the succeeding meeting within the prescribed time period.

In the Financial Year 2021-2022, the Board met five times. The Meetings were held on 25th June 2021, 13th August 2021, 11th November 2021, 21st January 2022, 10th February 2022. The interval between two Meetings was well within the maximum period mentioned under Section 173 of the Companies Act, 2013 and Regulation 17(2) of the Listing Regulations.

The details of attendance of Directors at Board Meetings (“BM”), last Annual General Meetings (“AGM”) were as under:

Name of the Director	25-06-2021	13-08-2021	11-11-2021	21-01-2022	10-02-2022	No. of meetings attended	AGM on 03-09-2021
Dr. V.L. Indira Dutt	P	P	P	P	P	5	P
Smt. V. Kavitha Dutt	P	A	P	P	P	4	P
Sri V.H. Ramakrishnan	P	P	P	P	P	5	P
Sri. Vijay Sankar	A	P	P	A	P	3	P
Sri. P.S. Kumar	P	P	P	P	P	5	P
Sri. M. Narasimhappa	P	P	P	P	P	5	P
Smt. Janaki Pillai	P	P	P	P	P	5	P
Dr. Subbarao Vallabhaneni	P	P	P	P	P	5	P
Sri. V. Chandrakumar	P	P	P	P	P	5	P
Sri. Ravi Chitturi	P	P	P	P	P	5	P

c) Board meetings through VC/OAVM

The Companies Act, 2013 read with the relevant rules made there under, now facilitates the participation of a Director in Board/Committee Meetings through video conferencing or other audio-visual mode. Accordingly, the option to participate in the Meeting through video conferencing was made available for the Directors except in respect of such Meetings/Items which are not permitted to be transacted through video conferencing.

d) The information required to be made available to the Board.

The Company provides the information as set out in Regulation 17 read with Part A of Schedule II of the Listing Regulations to the Board and the Board Committees to the extent it is applicable and relevant.

All agenda items are supported by relevant information, submitted either as part of the agenda papers in advance of the respective Meetings or by way of presentations and discussions during the Meetings.

The Board has unrestricted access to all company-related information, including that of employees.

The Company Secretary attends the Board Meetings and advises the Board on Compliances with applicable laws and governance.

e) Relationship between directors inter-se:

Dr. V.L. Indira Dutt, Chairperson & Managing Director, Smt. V. Kavitha Dutt, Joint Managing Director and Sri. V. Chandra Kumar Prasad, Dr. Subbarao Vallabhaneni, Sri. Ravi Chitturi, Non-Executive Non-independent Directors of the company are inter-se related.

f) Independent Directors

Independent Directors play a significant role in the governance processes of the Board. By virtue of their varied expertise and experience, they enrich the Board's decision-making and prevent possible conflicts of interest that may emerge in such decision-making and safeguards the interests of all stakeholders, particularly the minority shareholders.

The appointment of Independent Directors is carried out in a structured manner in accordance with the provisions of the Act and the SEBI Listing Regulations.

The Nomination & Remuneration Committee identifies candidates based on certain laid down criteria and takes into consideration the need for diversity of the Board and accordingly makes its recommendations to the Board.

None of the Independent Directors serve as Independent Directors in more than seven (7) listed companies in line with the requirements of the SEBI Listing Regulations and they have submitted respective declarations confirming that they continue to meet the criteria of independence as mentioned in Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act.

Also, in terms of Regulation 25(8) of the SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. In the opinion of the Board, all the Independent Directors fulfil the criteria relating to their independence as specified in the SEBI Listing Regulations and the Act and are independent of the Management.

The maximum tenure of the Independent Directors is in compliance with the provisions of the SEBI Listing Regulations and the Act. No Independent Director of the Company has resigned or was re-appointed during the financial year under review.

g) Induction programme for new Directors and on-going familiarization programme for existing Independent and Non-Independent Directors

A formal induction programme for new Directors and an on-going familiarization process with respect to the business/ working of the Company, the Company's business model for all Directors is a major contributor to familiarize the Directors with the dynamics of the industry to facilitate their engagement in meaningful deliberations and in taking informed decisions.

While inducting a Director on the Board, a formal letter of appointment is issued to such Director which, inter alia, explains the role, functions, duties and responsibilities of the Director and the Board's expectations from him/ her.

The requirement of obtaining declarations from a Director under the Act, the SEBI Listing Regulations and other relevant regulations are also explained in detail to the Directors and necessary affirmations are taken from them in respect thereto.

The details of the familiarization programme for Directors are available on the Company's website, viz. <http://www.kcp.co.in/downloads/investor/corporate-governance/familiarisation-programmes-for-independent-directors.pdf>

h) Key Board qualifications, expertise and attributes

The KCP Board comprises professionals of eminence and stature drawn from diverse fields.

The Board of Directors collectively bring to the fore a wide range of professional skills and experience, which elevates the quality of the Board's decision-making and allows them to make effective contribution to the Board and its Committees. The Board takes care of the business and stakeholders' interest. The Non-Executive Directors, including the Independent Directors are well qualified, experienced and renowned persons from the fields of manufacturing, finance, banking, health, social work, infrastructure, governance, retail mergers and acquisitions and technology, amongst others. The Board Members take an active part at the Board and Committee Meetings and provide valuable guidance to the Management on various aspects of business, governance and compliance, amongst others. The Board's guidance provides foresight, enhances transparency and adds value in decision-making.

The Board has identified the following skills/expertise/competencies fundamental for the effective functioning of the Company which are currently available with the Board.

No.	Areas	Skills
1.	Strategy & Policy development	Ability to identify and critically assess strategic opportunities and threats to the organisation. Develop strategies in context to our policies and business objectives.
2.	Ethics and Integrity	Understand role as director and continue to self-educate on legal responsibility, ability to maintain board confidentiality, declare any conflicts.
3.	Leadership	Make decisions and take necessary actions in the best interest of the organisation, and represent the organisation favourably. Analyse issues and contribute at board level to solutions.
4.	Contribution	Ability to constructively contribute to board discussions and communicate effectively with management and other directors.
5.	Previous Board experience	Has director experience (past or present) on other listed/public company or private company Boards.
6.	Industry specific skills	Experience and knowledge with respect to the industry in which the Company operates.
7.	Executive management	Experience in evaluating performance of senior management, and oversee strategic human capital planning. Experience in industrial relations and organisational change management programmes.
8.	Board training	Has completed formal training in director role and duties including training in governance and risk.
9.	Risk compliance	Identify key risks to the organisation related to each key area of operations.

Name of Director	Strategy & Policy development	Ethics and Integrity	Leadership	Contribution	Previous Board experience	Industry specific skills	Executive Management	Board Training	Risk Compliance
Dr. V.L. Indira Dutt	√	√	√	√	√	√	√	X	√
Smt. V. Kavitha Dutt	√	√	√	√	√	√	√	X	√
Sri. P.S. Kumar	√	√	√	√	√	√	√	X	√
Sri. V.H. Ramakrishnan	√	√	√	√	√	√	√	X	√
Sri. Vijay Sankar	√	√	√	√	√	√	√	X	√
Sri.M. Narasimhappa	√	√	√	√	√	√	√	X	√
Sri. Janaki Pillai	√	√	√	√	X	X	√	X	√
Sri. V. Chandrakumar Prasad	√	√	√	√	√	√	√	X	√
Dr.Subbarao Vallabhaneni	√	√	√	√	X	X	√	X	√
Sri. Ravi Chitturi	√	√	√	√	√	√	√	X	√

i) Board diversity

KCP has over the years been fortunate to have eminent persons from diverse fields to serve as Directors on its Board.

Pursuant to the SEBI Listing Regulations, the Nomination & Remuneration Committee of the Board has formalized a policy on Board Diversity to ensure diversity of the Board in terms of experience, knowledge, perspective, background, gender, age and culture. The Policy on diversity is available on the Company’s website and can be accessed on web link at <http://www.kcp.co.in/downloads/investor/corporate-governance/Remuneration-policy.pdf>

j) Directors and Officers Insurance

The Company has obtained Directors and Officers Liability insurance (‘D & O insurance’) for all its Directors, including independent directors, for a quantum and risks as determined by the Board of directors of the Company

II. COMMITTEES OF THE BOARD

The Board has constituted Audit Committee, Nomination and Remuneration Committee, Risk Management Committee, Corporate Social Responsibility Committee, Investment Committee, Innovation and Best Practices Committee, Finance committee.

The Board and its Committees guide, support and complement the management team’s ideas and initiatives, which in turn assumes accountability, strives to achieve the set objectives and enhances value creation for all.

These committees spend considerable time and provide focused attention to various issues placed before them and the guidance provided by these committees lend immense value and support, enhancing the qualitiveness of the decision-making process of the Board. The Board reviews the functioning of these committees from time to time.

The meetings of each of these committees are convened by the respective Chairpersons, who also apprise the Board about the summary of discussions held at their meetings.

The minutes of the committee meetings are sent to all members individually for their approval/ comments as per the prescribed Secretarial Standards-1 and after the minutes are duly approved and are placed in the Board meetings for noting.

The constitution, terms of reference and the functioning of the existing committees of the Board is explained hereunder.

a) Audit Committee - Mandatory committee

The Audit Committee of the Board is constituted in compliance with the provisions of Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations. More than two-third (2/3rd) of the members of the Committee, including the Chairman of the committee are Independent Directors.

The Committee is governed by a Charter, which is in line with the regulatory requirements mandated by the Act and the SEBI Listing Regulations.

The Audit Committee comprises 4 Independent Directors and an Executive Director. The Committee was chaired by an independent Director Sri. P.S. Kumar, a Chartered Accountant by qualification.

In the opinion of the Board of Directors, all the members of the Audit Committee are financially literate, and also have accounting or related financial management experience.

The Audit Committee met four times during the year on 25/06/2021, 13/08/2021, 11/11/2021 and 10/02/2022.

The composition of the Audit Committee and particulars of meetings attended by the members of the Committee are as follows:

Members	Number of Meetings Held	Number of Meetings Attended
Non-Executive Independent Directors:		
Sri. P.S. Kumar- Chairperson	4	4
Sri V.H. Ramakrishnan – Member	4	4
Sri. Vijay Sankar- Member	4	3
Sri. M. Narasimhappa- Member	4	4
Executive Promoter Director :		
Smt V. Kavitha Dutt – Member	4	4

The Company Secretary is the Secretary to the Committee.

The Chairperson and Managing Director Statutory Auditors and the Internal Auditors have also attended the Audit Committee meetings, when invited by the Committee. The Committee also invites Business and Functional Heads to discuss matters concerning their Business / Departments as and when it deems necessary.

Role of the Audit Committee

The Board has framed the Audit Committee charter for the purpose of effective compliance of provisions of Section 177 of the Act and Regulation 18 of the Listing Regulations.

The Audit Committee inter-alia performs the following functions:

1. Review with the Company's Chief Financial Officer ("CFO"), the preparation, execution and results of the Company's annual internal audit work program;
2. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
3. Review with the management, performance of statutory and internal auditors and review of adequacy of the internal control systems;
4. Discussion with statutory auditors before audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
5. Discussion with internal auditors on any significant findings and follow up thereon;
6. Recommending to the Board, the appointment, remuneration and terms of appointment of Auditors;
7. Review the management discussion and analysis of financial condition and results of operations;
8. Review statement of significant related party transactions (as defined by the Audit Committee), submitted by management;

9. Review the internal audit reports relating to internal control weaknesses;
10. Scrutiny of inter-corporate loans and investments;
11. Review the functioning of the Whistle blower mechanism; and
12. Review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 with reference to events which were regarded as UPSI (Unpublished Price Sensitive Information), whether such UPSI were shared in the manner expected, instances of leaks, if any, instance of breaches of the Code, efficiency of sensitization process, etc. at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.
13. To grant Omnibus approval for Related Party Transactions.

Sri. P.S. Kumar, Chairperson of the committee was present at the 80th Annual General Meeting held on 3rd September 2021.

b). Stakeholders Relationship Committee (SRC) - Mandatory committee

The composition of the SRC of the Board is in line with the requirements of Section 178 of the Act and Regulation 20 read with Part D of Schedule II of the SEBI Listing Regulations. The SRC comprises five (5) members of which two-thirds (2/3rd) of the members including the Chairperson of the committee are Independent Directors.

The Committee is governed by its Charter and the terms of reference of the Committee are:

- To review the steps taken to resolve the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings, etc.;
- To review the measures taken for effective exercise of voting rights by shareholders;
- To review the adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent (RTA);

- To review the measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the Company;
- To monitor Investor Relation activities of the Company and give guidance on the flow of information from the Company to the Investors;
- Review of transfer of unpaid/ unclaimed dividend/ shares to the Investor Education and Protection Fund of the Government of India in line with the relevant Rules thereunder;
- Perform such other functions as may be required by law, the Company's Articles of Association or as may be assigned by the Board of Directors

Sri. P.S. Kumar is the Chairperson of the committee.

The table below highlights the composition and attendance of the Members of the Committee.

The composition of the SRC as on March 31, 2021 and details of the members participation at the meetings of the Committee are as under and the Stakeholders Relationship Committee met on February 10, 2022 during the year 2021-2022.

Directors	Meetings held	Meetings attended
Sri. P.S. Kumar, Chairperson	1	1
Dr. V.L. Indira Dutt, Member	1	1
Sri V.H. Ramakrishnan, Member	1	1
Sri. Vijay Sankar, Member	1	1
Sri. M. Narasimhappa, Member	1	1

The Company Secretary, functions as the compliance officer.

He has also been appointed as the nodal officer in line with statutory requirements.

The total number of complaints received and resolved during the year ended March 31, 2022 were NIL. There were no complaints outstanding as on March 31, 2022.

c) Nomination and Remuneration Committee (NRC) -Mandatory committee

The NRC of the Board is constituted in compliance with the requirements of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations.

The NRC is governed by a Charter in line with the Act and the SEBI Listing Regulations.

The Chairperson of the Committee Sri. V.H. Ramakrishnan is an Independent Director and two-third (2/3rd) of the Members of the Committee are Independent Directors.

The Chairperson and Managing Director of the Board is a Member of the Committee but does not chair the Committee.

The terms of reference of the Committee inter alia, include the following:

- Identify persons who are qualified to become Directors in accordance with the criteria laid down, recommend to the Board their appointment and removal;
- Formulate criteria for determining qualifications, attributes and Independence of a Director;
- Devising a policy on Board Diversity;
- Review the Succession Policy of the Company under the overall guidance of the Board of Directors and succession policy of the Company;
- Formulate the criteria for evaluating the performance of the Board of Directors;
- Formulate a policy relating to the remuneration for the Directors, Key Managerial Personnel ('KMP') and Senior Management employees;
- Identifying individuals for appointment as KMP and other Senior Management positions, recommend to the Board their appointment and removal. The Committee may consider any recommendations made by the Board and/ or parent company in this regard;
- Specify the manner for effective evaluation of performance of Board, its committees, individual Directors and review its implementation and compliance;
- Review the performance evaluation of the

Directors, KMP and Senior Management Employees;

- Administration of the Employee Stock Option Schemes (ESOS), if any.

The Nomination and Remuneration Committee met on 31/03/2022 during the year 2021-2022.

The composition of the N&RC as on March 31, 2022 and details of the Members participation at the meetings of the Committee are as under:

Directors	Meetings held	Meetings attended
Sri V.H. Ramakrishnan, Chairperson	1	1
Dr. V.L. Indira Dutt, Member	1	-
Sri. Vijay Sankar, Member	1	-
Sri. P.S. Kumar, Member	1	-
Sri. M. Narasimhappa, Member	1	1

The Chairperson of the Committee was present at the 80th Annual General Meeting of the company in compliance with Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

Remuneration of Directors

Nomination & Remuneration Policy

The Remuneration Policy of the Company provides the framework for remuneration of members of the Board of Directors, Key Managerial Personnel of the Company.

The Policy is guided by the principles and objectives as enumerated in Section 178 of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of the Listing Regulations to ensure reasonableness and sufficiency of remuneration to attract, retain and motivate competent resources, a clear relationship of remuneration to performance and a balance between rewarding short and long-term performance of the Company.

There were no pecuniary relationship /transactions between Non-Executive Independent Directors and the Company.

The remuneration of the Board of Directors during the year is as set out below. The remuneration paid

to the Directors is in accordance with the provisions of the Act and has been duly approved by Members of the Company.

The Nomination & Remuneration Policy is displayed on the Company's website.

(i) Remuneration to Independent Directors:

The Independent Directors are paid remuneration by way of Sitting Fees for each Meeting of the Board or Committee of Directors attended by them.

During the year Independent Directors of the Company were paid sitting fees of Rs. 40,000/- (Rupees forty thousand only) each for every meeting of the Board and Audit Committees of the company attended by them and for other Committee Meetings Rs. 20,000/- (Rupees twenty thousand only) was paid as sitting fees. The sitting fee paid is well within the limits prescribed under the provisions of the Companies Act, 2013 and rules made there under.

The details of sitting fees paid to Independent Directors and Non-Executive Non-Independent Directors for the year 2021-22 (for attending the Board Meetings, Audit Committee and other Committee Meetings) are given below:

Directors	Sitting Fees paid (Rs. in Lakhs)
Sri V.H. Ramakrishnan	4.20
Sri. Vijay Sankar	2.80
Sri. P.S. Kumar	4.80
Sri. M. Narasimhappa	4.20
Smt. Janaki Pillai	2.40
Dr. Subbarao Vallabhaneni	2.00
Sri. V. Chandrakumar Prasad	2.40
Sri. Ravi Chitturi	2.60

(ii) Remuneration to Executive Directors

The appointment and remuneration of Executive Directors including Chairperson and Managing Director and Joint Managing Director is governed by the recommendations of the Nomination and

Remuneration Committee, Resolutions passed by the Board of Directors and Shareholders of the Company and is within the limits prescribed under the Companies Act, 2013.

The elements of compensation of the Executive Directors include the following:

- fixed compensation
- variable compensation in the form of annual incentive
- work related facilities and perquisites

In case of inadequacy of profit in any financial year, the remuneration payable to the Executive Directors shall be further subject to the relevant provisions of the Companies Act, 2013.

Executive Directors are not paid sitting fees for any Board/ Committee meetings attended by them.

Particulars of their remuneration for the year ended 31st March, 2022 are given below:

Executive Directors.	Salary & Perks (Rs.in Lakhs)	Commission (Rs.in Lakhs)	Total (Rs.in Lakhs)
Dr. V.L. Indira Dutt Chairperson & Managing Director	267.57	511.24	778.81
Smt. V. Kavitha Dutt, Joint Managing Director	177.18	406.93	584.11

Presently, the Company does not have a stock options scheme.

d) Corporate Social Responsibility (CSR) committee: Mandatory committee

The Company has always been conscious of its obligations vis-à-vis the communities it impacts and has been pursuing various CSR activities long before these were mandated by law.

The CSR Committee was set up by the Board of Directors to assist the Board in fulfilling its corporate social responsibility and to strive for overall sustainable development in the conduct of the Company’s business. in line with the provisions of Section 135 of the Act.

The terms of reference of the CSR Committee broadly includes the following:

- To review from time to time the CSR policy of

the Company and to ensure that the CSR policy is in line with Schedule VII of the Companies Act, 2013 as amended from time to time;

- To review CSR projects with a view to ensure that they are in line with CSR objectives and CSR Policy of the Company;
- To ensure that the Company’s overall business strategy reflects its long-term objectives on corporate social responsibility;
- To consider and advise the Board and the Management on various CSR projects to be implemented by the Company either directly or through other agencies /organizations / societies /trusts established for this purpose in furtherance of its social obligations;
- To review the annual CSR budget and recommend to the Board the amount of expenditure to be incurred on various CSR programmes/ activities either directly or through the other agencies/organizations/ societies/trusts;
- To oversee impact assessment of CSR projects of the Company;
- To advise the Board on significant stakeholder concerns relating to CSR;
- To review and recommend to the Board for its approval any other reporting on CSR;
- Such other related matters which the Committee may deem appropriate, required by law or assigned to the Committee by the Board of Directors from time to time.

The Committee’s scope will encompass Company policies and performance related to CSR as described above.

The Committee shall review the Company’s objectives, plans and performance and recommend actions, as necessary, to ensure continuous performance improvement and alignment with the expectations of stakeholders (both internal and external).

The Corporate Social Responsibility Committee met on July 15, 2021 during the year 2021-2022 and the details of the composition of the Committee and attendance of the members are as follows:

Directors	Meetings held	Meetings attended
Dr. V.L. Indira Dutt, Chairperson	1	1
Smt. V. Kavitha Dutt, Member	1	1
Sri. Vijay Sankar, Member	1	0
Sri. P.S. Kumar, Member	1	1
Smt. Janaki Pillai, Member	1	1

The Company has formulated CSR Policy, which is uploaded on the website of the Company viz. www.kcp.co.in

The CSR report, as required under the Companies Act, 2013 for the year ended 31st March, 2022 is attached as **Annexure 3** to the Board's report.

e) Risk management Committee: - Mandatory committee

The Company has constituted Risk management Committee in year 2014 voluntarily and also in line with the SEBI Listing Regulations, 2015 as amended and our company is in the list of top 1,000 Companies in the country based on its market capitalization for the immediately preceding financial year and now it is mandatorily to have the committee.

The Members of the Committee are Directors and Executives of the company, majority of the Committee members are Directors.

The Company has a dynamic risk management framework to identify, monitor, mitigate and minimize risks as also to identify business opportunities.

The Committee is governed by a policy and its terms of reference comprises the following:

- Developing Risk Management Policy and Risk Management system framework for the Company;
- Overseeing key risks including identification, assessment, monitoring, and mitigation and reporting of various risks including strategic, financial, operation and compliance risks;
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating

the adequacy of risk management systems;

- Assist the Board in framing, implementing and monitoring the Risk Management Plan for the Company and reviewing and guiding the Risk Policy;
- The Committee shall review the adequacy of Risk Management Process applied by the management;
- The role and responsibilities of the Committee shall include such other items as may be applicable under the relevant Regulations and/or included within the scope by the Board.

The meetings of the Risk Management Committee are held on 21/01/2022 and 24/03/2022 during the year, 2021-2022.

The composition of the RMC as on March 31, 2022 and details of the Members participation at the Meetings of the Committee are as under:

Members	Meetings held	Meetings attended
Smt. V. Kavitha Dutt, Chairperson	2	2
Dr. V.L. Indira Dutt, Member	2	2
Sri. Vijay Sankar, Member	2	0
Sri. P.S. Kumar, Member	2	2
Sri. V. Chandrakumar Prasad, Member	2	2
Sri. Ravi Chitturi, Member	2	2
Sri. G.N. Murty, CFO, Member	2	2
Sri.K. Ramakrishna (Executive President) Marketing, Member.	2	1
Sri. BVPS Chowdary, Sr.GM (CPU-Macherla), Member	2	2
Sri. V. Madhusudana Rao, Vice President (CPU-Muktyala), Member	2	2
Sri. M. Narayana Rao, President (HE), Member	2	2

The Risk policy adopted by the Board of Directors of the company is placed on the website of the company.

f) Investment Committee: Non- Mandatory committee

The Investment Committee evaluates the various investment proposals of the Company and guides the Board of Directors in evaluating and implementing the same.

The Investment Committee comprises the following members.

Directors
Dr. V.L. Indira Dutt, Chairperson
Smt. V. Kavitha Dutt, Member
Sri V.H. Ramakrishnan, Member
Sri. Vijay Sankar, Member
Sri. P.S. Kumar, Member
Sri. M. Narasimhappa, Member

During the year the Committee didn't have the occasion to meet.

g) Share Transfer, Transmission and Issue of Share Certificate Committee: Non-Mandatory committee

This Committee is constituted to approve transfer, transmission of shares and to issue duplicate share certificates as and when required.

During the year, 10 meetings of Share Transfer Committee were held on the following dates:

27-04-2021, 19-07-2021, 20-09-2021, 30-09-2021, 12-10-2021, 16-11-2021, 06-12-2021, 07-12-2021, 31-12-2021, 31-03-2022.

The Committee comprises of the following executives of the Company:

Sri. G.N. Murty	Chief Financial Officer
Sri. Y. Vijayakumar	Company Secretary

h) Finance Committee: Non- Mandatory committee

This Committee looks into approval of the sanctions received from the banks and role of the Committee includes;

- To Review the Company's financial policies, risk assessment and minimization procedures, strategies and capital structure, working capital and cash flow management and make such reports and recommendations to the Board with respect thereto, as it may deem advisable.

- To Review banking arrangements and cash management Exercise all powers to borrow money (otherwise than by issue of debentures) within limits approved by the Board and take necessary actions connected therewith.
- To give guarantees / issue letters of comfort / providing securities within the limits approved by the Board.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable.
- To delegate authorities from time to time to the executives / authorized persons to implement the Committee's decisions.

During the year the Committee didn't have the occasion to meet.

The composition of the Committee as on March 31, 2022 and the details of Members of the Committee are as under:

Executive Directors
Dr. V.L. Indira Dutt, Chairperson
Smt. V. Kavitha Dutt, Member
Independent Directors
Sri. Vijay Sankar, Member
Sri. P.S. Kumar, Member

i) Innovation and Best practices committee: Non-Mandatory Committee:

The Company has Innovation and Best practices committee, which comprises of the following members.

During the year the committee met on March, 24, 2022.

Directors	Meetings held	Meetings attended
Sri. Narasimhappa – Chairman	1	1
Smt. V. Kavitha Dutt – Member	1	1
Sri. V.H. Ramakrishnan – Member	1	1
Sri. Vijay sankar – Member	1	0
Sri. P.S. Kumar – Member	1	1
Sri. Ravi Chitturi– Member	1	1

Performance Evaluation of Directors:

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the SEBI (LODR) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, its Committees and the Directors.

Structured questionnaires were prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

Separate exercise was carried out to evaluate the performance of individual Directors including the Chairperson and Managing Director, on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairperson and Managing Director and the Non-Independent Directors was carried out by the Independent Directors.

Independent Directors' Meeting

Pursuant to requirements of the Act and Listing Regulations the Company's Independent Directors met on February 10, 2022 during the Financial Year without the presence of Non-Executive Directors, Executive Directors or Management, inter alia to discuss:

- evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;
- evaluation of the performance of the Chairperson and Managing Director of the Company, taking into account the views of the Executive and Non-Executive Directors;
- evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties; and
- other related matters.

The Independent Directors expressed satisfaction at the robustness of the evaluation process, the Board's freedom to express its views on matters transacted

at the meetings and the openness and transparency with which the Management discusses various subject matters specified in the agendas of meetings.

III. General Shareholders' Information

1. Date, Time and Venue of the Annual General Meeting

Date and Time	Wednesday August 10, 2022
Mode	Video conference and other audio-visual means (VC/OAVM)
Venue	"Ramakrishna Buildings", No.2, Dr. P.V. Cherian Crescent, Registered Office) Egmore, Chennai 600 008 will be the deemed venue for the meeting.

For details, please refer to the Notice of 81st Annual General Meeting of the company.

(As required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard 2 on General Meetings, particulars of Directors seeking re-appointment at this AGM are given in the Annexure to the Notice of AGM).

2. Tentative Calendar for Financial Year ending March 31, 2023

First Quarter ending 30 th June, 2022	Within forty five days from the end of the quarter.
Second Quarter ending 30 th September, 2022	Within forty five days from the end of the quarter.
Third Quarter ending 31 st December, 2022	Within forty five days from the end of the quarter.
Fourth Quarter ending 31 st March, 2023	Within sixty days from the end of the quarter.

3. Book Closure: : Thursday August 04, 2022 to Wednesday August 10, 2022 both days inclusive)

4. Dividend:

The Board of Directors have recommended dividend of Re.1/- per Equity Share of Re.1/- for the Financial Year ended March 31, 2022,

subject to approval of the shareholders at the ensuing Annual General Meeting. The dividend, if approved by the shareholders will be paid on or after Thursday August 25, 2022.

5. Listing on Stock Exchanges:

The Company’s shares are listed on the following stock exchanges and the listing fees has been duly paid to the to the National Stock Exchange of India Limited (NSE).

Name of Stock Exchange	Stock Code
National Stock Exchange of India Limited, Mumbai	KCP
The Bombay Stock Exchange Limited, Mumbai (permitted to trade)	590066
Name of the Depositories (for demat only)	
National Securities Depository Ltd	INE805C01028
Central Depository Services (India) Ltd	INE805C01028

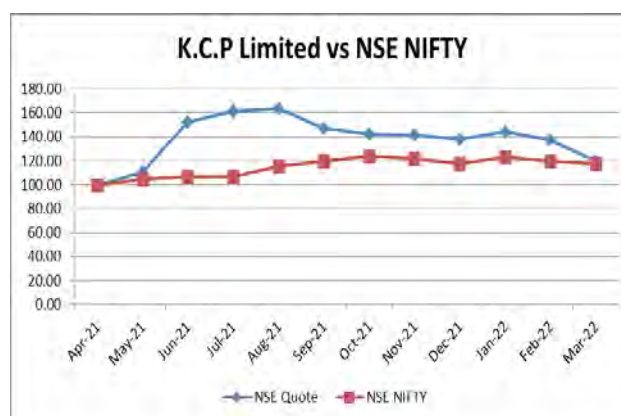
6. Share Price Data :

NATIONAL STOCK EXCHANGE (NSE)

Month	High	Low
April 2021	103.60	81.00
May 2021	114.55	97.70
June 2021	157.40	99.55
July 2021	167.30	142.05
August 2021	169.00	132.60
September 2021	152.30	134.00
October 2021	147.25	125.40
November 2021	146.45	122.60
December 2021	142.80	115.10
January 2022	149.40	121.35
February 2022	142.00	101.35
March 2022	123.60	101.50

7. Relative Stock Performance Chart :

The Chart below gives the relative movement of the closing price of the company’s share price and the NSE NIFTY relative to the closing price.



8. Registrar & Share Transfer Agents (RTA)

For demat & physical shares:

M/s. Integrated Registry Management Services Private Limited

II Floor, “Kences Towers”
No.1, Ramakrishna Street
North Usman Road, T. Nagar,
Chennai 600 017.

Ph: 28140801/803

Email: corpserv@iepindia.com

www.integratedindia.in

CIN: U74900TN2015PTC101466

9. Dematerialization of Shares and Liquidity

The Company has entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) whereby shareholders have an option to dematerialize their shares with either of the Depositories.

97.81% of the equity shares of the Company have been dematerialized (NSDL 86.06% and CDSL 11.16%) as on March 31, 2022.

10. Share Transfer System

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, securities can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities.

Further, SEBI had fixed March 31, 2021 as the cut-off date for re-lodgment of transfer deeds and the shares that are re-lodged for transfer shall be issued only in dematerialized mode. The requests for effecting transfer/transmission/ transposition of securities shall not be processed unless the securities are held in the dematerialized form.

Transfers of equity shares in electronic form are affected through the depositories with no involvement of the Company.

Members holding shares in physical form are requested to consider converting their holdings to dematerialized form.

11. Distribution of the Equity Shareholding as on 31st March, 2022 by number of shares:

No. of Equity Shares held	No. of Share holders	% Share holders	No. of Shares	% Share holding
Upto 5000	43,447	97.02	1,35,05,081	10.48
5001-10000	569	1.27	41,31,974	3.21
10001-20000	318	0.71	44,44,682	3.45
20001-30000	138	0.31	33,90,668	2.63
30001-40000	73	0.16	25,46,915	1.98
40001-50000	57	0.13	26,62,944	2.07
50001-100001	86	0.19	58,92,271	4.57
Above 100001	93	0.21	9,23,46,625	71.63
TOTAL	44,781	100.00	12,89,21,160	100.00

12. Equity Shareholding as on 31st March, 2022 by category

Category	No. of Share holders	No. of Shares	% Share holding
Clearing Member	67	3,51,088	0.2723
Bank Foreign	1	500	0.0004
IEPF	1	18,95,206	1.4701
Indian Financial Institutions	3	4,490	0.0035
Indian Promoters	19	5,66,24,319	43.9217
Insurance Company	1	8,31,279	0.6448
Limited Liability Partners	7	86,213	0.0669
Mutual Funds	3	6,000	0.0047
NRI / OCBs	555	24,05,094	1.8656
Private Corporate Bodies	286	67,41,060	5.2289
Indian Public	43,836	5,99,10,601	46.4705
Trusts	2	65,310	0.0506
Total	44,781	1,28,921,160	100.00

13. Top ten Equity Shareholders of the Company (Excluding Promoters) as on 31st March, 2022

No.	Shareholder	Share holding	%
1	Dolly Khanna	47,71,855	3.70
2	Sandhya G. Parikh	34,09,531	2.64
3	Chinmay G Parikh	20,84,050	1.62
4	Investor Education and Protection Fund Authority	18,95,206	1.47
5	G.V. Reddy. Dr.	12,87,250	1.00
6	Integrated Investment Management Service LLP	12,10,000	0.94
7	Sakunthala Devi Boppana	10,52,410	0.82
8	Boppana Vinay Kumar	9,47,530	0.73
9	Padmini Rajan	8,72,690	0.68
10	The New India Assurance Co. Ltd	8,31,279	0.64
	Total	1,83,61,801	14.24

14. Reconciliation of Share capital Audit report:

Pursuant to Regulation 55A (1) of SEBI (Depositories and Participants) Regulations, 1996, a Company Secretary in Practice carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital.

This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges. The audit confirms that the total Listed and Paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialised form (held with NSDL and CDSL) and total number of shares in physical form.

15. Plant Locations:

- Cement**
- 1) Macherla - 522426
Palnadu District, Andhra Pradesh
 - 2) Ramakrishnapuram
Muktyala – 521457
NTR District, Andhra Pradesh

	3) Packing Plant, Arakonam 631 004, Tamilnadu
Heavy Engineering	1). Tiruvottiyur Chennai 600 019 Tamilnadu
	2). Mosur Road, Ekhunagar Arakonam 631 004, Tamilnadu
Hydel Power	B.No. AE-1, NSP Colony Nekarikallu- 522 615, Palnadu District Andhra Pradesh
Wind Power	Uthumalai Village Tirunelveli District, Tamilnadu
Thermal Power	Macherla - 522426 Palnadu District, Andhra Pradesh Ramakrishnapuram Muktyala – 521175 NTR District Andhra Pradesh
Solar Power	Ramakrishnapuram Muktyala – 521175 NTR District, Andhra Pradesh
Hotel	Mercure Hyderabad KCP 6-3-552, Somajiguda Hyderabad 500 082*

The details of the plants, along with their addresses and telephone numbers are also available on the Company's website.

16. Compliance Certificate of the Auditors: -

The Company has complied with the mandatory requirements of the Code of Corporate Governance as stipulated in Regulation 17 of the SEBI (LODR) Regulations, 2015. The Company has submitted the compliance report in the prescribed format to the stock exchanges for the quarters ended June 30, 2021, September 30, 2021, December 31, 2021 and March 31, 2022. The Statutory Auditors have certified that the Company has complied with the conditions of corporate governance as stipulated in the Listing Regulations. The said certificate is annexed to the Directors' Report and will be forwarded to the Stock

Exchanges and the Registrar of Companies, Tamil Nadu, Chennai, along with the Annual Report.

17. Risk Management:

The Company has laid down procedures to inform Board members about the risk assessment and minimization procedures. The Board periodically discusses the significant business risks identified by the management and the mitigation measures to address such risks.

The Company has managed the risks with appropriate hedging activities in accordance with policies of the Company.

18. Subsidiary Company

Pursuant to Regulation 24 of the SEBI (LODR) Regulations, 2015, Our material Subsidiary Company, M/s KCP Vietnam Industries Limited, whose turnover or net worth exceeds 20% of the consolidated turnover or net worth respectively of the Company and its subsidiary in the immediately preceding accounting year.

- (1) The Board has appointed Sri. P.S. Kumar, Independent Director on the Board of the subsidiary company.
- (2) The audit committee of the company has reviewed the financial statements of the company.
- (3) The minutes of the meetings of the board of directors of the subsidiary are placed at the meeting of the board of directors of the company.
- (4) A statement of all significant transactions and arrangements entered into by the subsidiary are placed in the Board Meetings.

IV. DISCLOSURES AND OTHER INFORMATION

19. Disclosures

i). Code of Business Conduct & Ethics

The Company has adopted Code of Business Conduct and Ethics ("the Code") which is applicable to the Board of Directors and all Employees of the Company. The Board of Directors and the members of Senior Management Team of the Company are required to affirm on annual basis, compliance of this Code.

The declaration signed by the Chairperson and Managing Director of the Company to this effect is placed at the end of this Report.

The Code is displayed on the Company's website viz., www.kcp.co.in.

ii). Conflict of Interest

The Members of the Board while discharging their duties, avoid conflict of interest in the decision-making process.

The Members of Board restrict themselves from participating in any discussions and voting on transactions in which they are concerned or interested.

iii). Insider Trading Code

The Company has adopted an 'Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Designated Persons ("the Code") in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("the PIT Regulations") as amended.

The Code is applicable to Promoters, Member of Promoter's Group, all Directors and Designated Persons as defined in the Code.

The Company Secretary is the Compliance Officer for monitoring adherence to the said PIT Regulations.

The Audit Committee reviews cases of non-compliances, if any, and makes necessary recommendations to the Board w.r.t. action taken against such defaulters.

This Code is displayed on the Company's website viz., www.kcp.co.in.

iv). Related Party Transactions (RPTS)

In line with the requirements under Regulation 23(1) of the Listing Regulations, the Company has formulated a Policy on Related Party Transactions ("Policy") which is also available on Company's website at <http://www.kcp.co.in/downloads/investor/corporate-governance/related-party-transaction-policy.pdf>.

The Policy is reviewed by the Board of Directors of the Company at regular intervals. The objective of the Policy is to ensure proper approval, disclosure and reporting of transactions as applicable, between the Company and any of its related parties.

The Audit Committee of the Board grants omnibus approval for the Related Party Transactions (RPTS) which are of repetitive nature and / or entered in the Ordinary Course of Business and are at

Arm's Length. All transactions entered into by the Company with the Related Parties as defined under the Act and SEBI Listing Regulations.

During the financial year all related party transactions entered were on arm's length basis and were in compliance with the requirements of provisions of Section 188 of the Act.

There were no material significant transaction(s) entered with Related Parties during the year under review. Related party transactions are disclosed under significant accounting policies and notes forming part of the Financial Statements in accordance with Ind AS 24 'Related Party Disclosures'.

A statement in summary form of transactions with Related Parties is periodically placed before the Audit Committee and the Board for review/ approval / noting.

None of the transactions with Related Parties were in conflict with the interest of Company.

v). Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets,

The Company has complied with all requirements specified under the Listing Regulations as well as other regulations, circulars and guidelines issued by the SEBI, there were no strictures or penalties imposed by either SEBI or Stock Exchanges or MCA or any other regulatory/ statutory authority for non-compliance of any matter related to the capital markets during the last three financial years.

vi). Vigil Mechanism / Whistle Blower Policy

Pursuant to Section 177(9) and (10) of the Act, and Regulation 22 of the Listing Regulations, the Company has formulated Whistle Blower Policy for vigil mechanism of Directors and employees to report concern about unethical behavior, actual or suspected fraud or violation of Company's code of conduct and ethics.

The mechanism provides for adequate safeguards against victimization of employees and Directors

who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee in exceptional cases. None of the personnel of the Company have been denied access to the Audit Committee.

The Whistle Blower Policy is displayed on the Company's website viz., www.kcp.co.in.

vii).Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the Listing Regulations

During the year under review, the Company has not raised any funds either through preferential allotment or qualified institutions placement therefore disclosure of this information is not applicable to the Company.

viii).A certificate from a Company Secretary in practice that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority.

A certificate from a Company Secretary in practice that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority is annexed herewith as a part of the Report.

ix).Where the board had not accepted any recommendation of any committee of the Board which is mandatorily required, in the relevant Financial Year

During the year under review, all recommendations made by the Committee(s) of the Board which were mandatorily required have been accepted by the Board.

x) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditors and all entities in the network firm/network entity of which the statutory auditor is a part

For the year ended March 31, 2022, the company has paid a consolidated fees of Rs.30.61 lakhs to the statutory auditors (Rs.20 lakhs as audit fees Rs.10.61 lakhs for other services).

xi). Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The details are given in the Directors' report.

xii). Disclosure of Compliance with Corporate Governance Requirements specified in Regulation 17 to 27 and Regulation 46(2) of the Listing Regulations

The Company confirms compliance with all the mandatory corporate governance requirements under the Listing Regulations.

xiii). Non-mandatory requirements

Adoption of non-mandatory requirements of the Listing Regulations is reviewed by the Board from time-to-time. The status of compliance with the non-mandatory requirements of the Listing Regulations is provided below:

- The Board The requirement relating to maintenance of office and reimbursement of expenses of Non-Executive Chairman is not applicable to the Company since the Chairperson of the Company is an Executive Director.
- The quarterly financial results are published in the newspapers of wide circulation and not sent to individual shareholders on a half-yearly basis.
- Quarterly Financial Results as approved by the Board are disseminated to Stock Exchanges and updated on the website of the Company.

xiv). Modified opinion(s) in audit report

During the year under review, the Auditors have expressed an unmodified opinion on the Financial Statements and the Company continues to adopt best practices to ensure regime of financial statement with un-modified opinion.

xv). Reporting of Internal Auditors

In accordance with the provisions of Section 138 of the Act, the Company has appointed Internal

Auditors who reports to the Audit Committee. Internal Auditors directly present their Quarterly internal report to the Audit Committee for its consideration.

xvi). Chief Executive Officer (CEO) and Chief Financial Officer (CFO) certification

As required by Listing Regulations, the CEO and CFO certification on the Financial Statements, the Cash Flow Statement and the Internal Control Systems for financial reporting for FY 2021 – 22 is annexed to this Report.

xvii). Disclosure of Accounting Treatment In the preparation of the financial statements

The Company has followed Ind AS referred to in Section 133 of the Act. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

xviii). Credit Rating During the year

Details are provided in Directors Report forming part of this Annual Report.

xix). Compliance with Secretarial Standards

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

20. Other information

The following disclosures are made in pursuance of Regulation 34(3) read with Clause F of Schedule V of Listing Regulations.

1. Details of last three Annual General Meetings held and Special Resolutions passed:

Year	AGM	Location	Date	Time	Special Resolutions considered	Result
2019	78th	Ramakrishna Buildings” 2, Dr. P.V. Cherian Crescent, Egmore, Chennai 600 008	07/08/2019	10.15 A.M.	Special Resolutions for: Reappointment of Sri. V.H. Ramakrishnan as an Independent Director Reappointment of Sri. Vijay Sankar as an Independent Director. Reappointment of Sri. P.S. Kumar as an Independent Director. Reappointment of Sri. M. Narasimhappa as an Independent Director. Approval of Remuneration to Chairperson & Managing Director and Joint Managing Director. Transaction with Related Parties under Sec.188 of the Companies Act. 2013.	All the resolutions Passed with requisite majority.

2020	79th	Ramakrishna Buildings” 2, Dr. P.V. Cherian Crescent, Egmore, Chennai 600 008 (Held through Video Conferencing (VC) other Audio Visual means).	04/09/2020	10.15 A.M.	1. Appointment of Sri. V. Chandra Kumar Prasad as Non-executive Non-Independent Director of the Company. 2. Appointment of Dr. Subbarao Vallabhaneni as Non-executive Non-Independent Director of the Company.	Resolutions passed with requisite majority.
2021	80th	Ramakrishna Buildings” 2, Dr. P.V. Cherian Crescent, Egmore, Chennai 600 008 (Held through Video Conferencing (VC) other Audio Visual means).	03/09/2021	10.15 A.M.	-	-

2. Extraordinary General Meeting ('EGM')

During the year under review, no Extra Ordinary General Meeting was held

3. Details of resolutions passed through postal ballot, the persons who conducted the postal ballot exercise and details of the voting pattern

During the FY 2021 – 22 there were no Special resolution(s) passed through Postal Ballot.

4. Means of Communication

- (i) The Un-audited quarterly/half yearly results are announced within forty-five days of the close of the quarter. The audited annual results are announced within sixty days from the closure of the financial year as per the requirement of the Listing Regulations.
- (ii) The approved financial results are forthwith sent to the Stock Exchanges and are published in a national English newspaper and in local language (Tamil) newspaper, within forty-eight hours of approval thereof. Presently the same are not sent to the shareholders separately.
- (iii) The Company's financial results and official press releases are displayed on the Company's website www.kcp.co.in.
- (iv) Any presentation made to the institutional investors or/and analysts are also posted on the Company's website.
- (v) Management Discussion and Analysis forms part of the Annual Report, which is sent to the shareholders of the Company.

(vi) The quarterly results, shareholding pattern, quarterly compliances and all other corporate communication to the Stock Exchanges viz. BSE Limited and National Stock Exchange of India Limited are filed electronically. The Company has complied with filing submissions through BSE's BSE Listing Centre. Likewise, the said information is also filed electronically with NSE through NSE's NEAPS portal.

(vii) A separate dedicated section under "Investors" on the Company's website gives information on unclaimed dividends, shareholding pattern, quarterly/half yearly results and other relevant information of interest to the investors / public.

5. Nomination

As per the provisions of Section 72 of the Act, facility for making nomination is available for the members in respect of shares held by them. Members holding shares in physical form may obtain a nomination form (Form SH-13), from the Company's RTA or download the same from the Company's website.

Members holding shares in dematerialized form should contact their Depository Participants (DP) in this regard. Permanent Account Number Members who hold shares in physical form are advised that SEBI has made it mandatory for all holders and claimants of physical securities to furnish PAN vide Circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021.

6. Payment of Dividend through Automated Clearing House (ACH)

The Company provides the facility for direct credit of the dividend to the Members' Bank Account. The SEBI Listing Regulations also mandate companies to credit the dividend to the members electronically. Members are therefore urged to avail of this facility to ensure safe and speedy credit of their dividend into their bank account through the banks' ACH mode. Members who hold shares in demat mode should inform their depository participant, whereas members holding shares in physical form should inform the Company of the core banking account details allotted to them by their bankers. In cases where the core banking account details are not available, the Company will issue the demand drafts mentioning the existing bank details available with the Company.

The Nodal Officer of the Company for IEPF Refunds Process is Sri. Y. Vijayakumar, Company Secretary whose e-mail id is vijaycs@kcp.co.in.

7. Transfer of unclaimed/unpaid amounts to the Investor Education and Protection Fund (IEPF):

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividend, if not claimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to IEPF. Further, all the shares in respect of which dividend has remained unclaimed for seven consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares. In the interest of the shareholders, the Company sends periodical reminders to the shareholders to claim their dividends in order to avoid transfer of dividends/shares to IEPF Authority.

Notices in this regard are also published in the newspapers and the details of unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF Authority, are uploaded on the Company's website <http://kcp.co.in/downloads/investor/shareholders-information/unclaimed-dividend.xls>

In light of the aforesaid provisions, the Company has during the year, transferred to IEPF the unclaimed dividends, outstanding for seven years, of the Company (Details provided in Notice convening 81st Annual General Meeting of the company).

8. Equity shares in the Suspense account:

In accordance with Regulation 39(4) read with Schedule VI of Listing Regulations after sending three reminders to the shareholders to claim their respective shares, has demated all physical shares which remained unclaimed by shareholders to an "Unclaimed Suspense Account" which was opened by the Company for this purpose. As per Regulation 34(3) read with Clause F of Schedule V of Listing Regulations all corporate benefits that accrue on these shares such as bonus shares, split etc., shall also be credited to the Unclaimed Suspense Account and the voting rights on such shares shall remain frozen. Shareholders are requested to write

to the Registrar & Transfer Agent and provide the correct details to enable the Company to transfer the unclaimed share certificate directly to the Shareholders demat account.

In accordance with the requirement of Regulation 34(3) and Part F of Schedule V to the SEBI Listing Regulations, details of equity shares in the suspense account are as follows:

Particulars	Aggregate Number of Shareholders and the Outstanding Shares in the suspense account lying at the beginning of the year	Number of shareholders who approached the Company for transfer of shares from suspense account during the year	Number of shareholders to whom shares were transferred from suspense account during the year	Number of shares were transferred to IEPF Authority from suspense account during the year	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares
No. of Holders	491	5	5	25	461	461
No. of Shares	556000	12840	12840	19110	524050	524050

9. Claims from the Investor Education and Protection Fund (IEPF):

The Members who have a claim on above shares may claim the same from IEPF Authority by submitting an online application in web Form No. IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same, duly signed to the Company, along with requisite documents enumerated in the web Form No. IEPF-5.

No claims shall lie against the Company in respect of the dividend/shares so transferred.

10. SEBI Complaints Redress System (SCORES):

The investor complaints are processed in a centralized web-based complaints redress system. The salient features of this system are: Centralized database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

11. Service of documents through electronic mode

As a part of Green Initiative, the members who wish to receive the notices/documents through e-mail, may kindly intimate their e-mail addresses to the Company's RTA to its dedicated e-mail id yuvraj@integratedindia.in.

12. General

Members are requested to quote their Folio No./DP & Client ID Nos, Email ids, telephone/Fax numbers for timely investor servicing by the Company/Registrar and Transfer Agent. Members holding shares in electronic form are requested to update with their depository participant their present address, e mail ids and bank particulars (9-digit MICR code).

13. Consolidation of Folios and Avoidance of Multiple Mailing

In order to enable the Company to reduce costs and duplicity of efforts for providing services to investors, members who have more than one folio in the same order of names, are requested to consolidate their holdings under one folio.

Members may write to the RTA indicating the folio numbers to be consolidated along with the original share certificates.

14. Designated Communication Details:

The Company has designated the following email-ids exclusively for investors.

- For queries on Annual Report: vijaycs@kcp.co.in
- For other queries: investor@kcp.co.in

15. For more details on Corporate Governance policies and procedures, please visit company's website at:

<http://www.kcp.co.in/corporate-governance.html>

For and on behalf of the Board of Directors

Dr.V.L. Indira Dutt
Chairperson & Managing Director

Place: Chennai
Date: May 18, 2022

Declaration under the SEBI (LODR) Regulations, 2015

I, Dr. V.L. Indira Dutt, Chairperson & Managing Director of the Company hereby confirm that all the members of your Board and the Senior Management Personnel of your Company have confirmed the compliance to the Code of Conduct of the Company during the year ended March 31, 2022.

For and on behalf of the Board of Directors

Dr.V.L. Indira Dutt
Chairperson & Managing Director

Place: Chennai
Date: May 18, 2022

Independent Auditor's Certificate on Corporate Governance

To

The Members of **The K.C.P Limited**

1. We have examined the compliance of the conditions of corporate governance by **The KCP Limited** (the 'Company') for the year ended March 31, 2022, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C,D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("SEBI Listing Regulations").

Management's Responsibility

2. The compliance of conditions of corporate governance is the responsibility of the management including preparation and maintenance of all relevant supporting documents and records. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure the compliance with the conditions of corporate governance as stipulated in the SEBI Listing Regulations. The Management along with the Board of Directors are also responsible for ensuring that the company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditors' Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the company.
4. We have examined the books of accounts and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have examined the relevant records of the company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the 'ICAI'), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the standard on Quality Control (SQC) 1, Quality Control for Firms that performs Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representation provided by the Management, We certify that the company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations during the year ended March 31, 2022.
8. We state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

for K.S.RAO & CO
Chartered Accountants
Firm Regn.No.003109S

Place : Chennai
Date : May 18, 2022

(P.GOVARDHANA REDDY)
Partner
Membership No. 029193
UDIN220229193AJRMZA2175

CEO / CFO Certification

The Board of Directors,

The KCP Limited

We hereby certify that

- a) We have reviewed the financial statements and the cash flow statement of the Company for the year ended March 31, 2022 and to the best of our knowledge and belief:
 - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violate of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee:
 - i) Significant changes in internal control over financial reporting during the year;
 - ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements.
 - iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.
- e) The disclosures have been received from the senior management personnel relating to the financial and commercial transactions in which they or their relatives may have personal interest. However, none of these transactions have conflict with the interest of the Company at large.

For The KCP Limited

Dr. V.L. Indira Dutt
Chairperson & Managing Director

For The KCP Limited

G.N. MURTY
Chief Financial Officer

Place : Chennai

Date : May 18, 2022

Independent Auditor's Report

To the members of The KCP Limited, Chennai

Report on Standalone Financial Statements:

Opinion

We have audited the accompanying financial statements of **THE KCP LIMITED** ("the company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "the Standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us the accompanying financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the *Auditor's responsibility for the Audit of Financial Statements* section of our report. We are independent of the company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

Key Audit matters are those matters that in our professional judgment, were of most significance in our audit of the Standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard

Management's Responsibility for the Standalone Financial Statements:

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting

Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone financial statements, the Board of Directors is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
- 2) As required by Section 143(3) of the Companies Act, 2013 we report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) the Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014;
- e) on the basis of written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act;
- f) with respect to the adequacy of internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B", Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls with reference to financial statements;
- g) With respect to Managerial Remuneration to be included in the Auditor's report under Section 197(16) In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.
- h) With respect to the other matters to be included in the Auditor's report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended in our

opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements - Refer Note 37 to the standalone Ind AS financial statements;
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts but did not have derivative contracts—Refer Note 52 to the Ind AS financial statements
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the

aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. a) Dividend of the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
- b) The Board of Directors of the Company have proposed dividend Rupee 1 per share for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with section 123 of the Act, as applicable. (Refer Note No 53 Notes to accounts of Standalone Financial Statements)

for K.S.RAO & CO
Chartered Accountants
Firm Regn.No.003109S

(P.GOVARDHANA REDDY)
Partner

Place : Chennai
Date :18.05.2022

Membership No. 029193
UDIN220229193AJRMZA2175

Annexure A to the Independent Auditor’s Report

(Referred to in paragraph 1 of our ‘Report on Other Legal and Regulatory Requirements’ section to the Members of The KCP LIMITED of even date)

We report that:

In respect of the Company’s Property, Plant and Equipment and Intangible Assets

i)(a) A) The company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

B) The company has maintained proper records showing full particulars of intangible assets.

i)(b) The Property, Plant and Equipment and right-of-use assets are physically verified by the management according to a phased program designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets.

Pursuant to the program, during the year under report the management has physically verified its Property, Plant and Equipment and no material discrepancies have been noticed on such verification.

i)(c) Based on our examination of the property tax receipts , lease agreements for land, and registered sale deed/transfer deed/ conveyance deed in respect of Free hold lands on which buildings were constructed, provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date, except the following (Refer note No. 2 of Standalone Financial Statements)

Description of property	Gross carrying value	Held in name of	Whether promoter, director or their relative or employee	Period Held	Reason for not being held in the name of company
Building situated at Flat No.406, 4 th floor, Ansol Chamber-2, New Delhi	Rs.1.67 Lakhs	-	No	1986 to till date	Pending for registration.
Land Survey No.1027/3, Extent 25cents in Macherla	Rs.180/-	-	No	1958 to till date	Land registered by District civil court, Gurajala mentioning survey no.1026/B2 instead of 1027/3

i)d) The company has not revalued any Property, Plant & Equipment (including right-of-use assets) and intangible assets during the year and hence reporting under this clause is not applicable to that extent.

i)e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

- ii)a) The inventory has been physically verified by the management under a perpetual verification system which is focused on the verification of all high value items during the year and other items over a period of two years. During such verification the discrepancies noticed as compared to book records have been properly dealt with in the books of account. The discrepancies in each class of inventory does not exceed 10% of aggregate of each class of inventory.
- ii)b) The company has been sanctioned working capital limits in excess of Rs. 5 crore, in aggregate from banks or financial institutions on the basis of security of current assets and the quarterly returns filed by the company are in agreement with the books of accounts except (Refer Note No. 55) in respect of age-wise schedule of trade receivables in one segment of the Company where there were certain variations in classification of ageing during the period from April'21 to October'21, though over-all outstanding of the trade receivables were correct.
- iii) During the year the Company has not made investments in, granted any loans or advance in the nature of loans, guarantee or security, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties. Therefore, the provisions of clause 3(iii)(a), 3(iii)(b), 3(iii)(c), 3(iii)(d), 3(iii)(e) & 3(iii)(f) of the said Order are not applicable for the year under report.
- iv) In our opinion and according to the information and explanations given to us, the company has not granted any loans, guarantees and security in accordance with the provisions of section 185 of the Companies Act 2013. The company has complied with the provisions of Section 186 of the Companies Act 2013, in respect of investments made by the company.
- v) In our opinion the company has complied with the provisions of section 73 to 76 and other applicable provisions of the Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014 with regard to the deposits accepted from the public or amounts which are deemed to be deposits. According to the information furnished to us, no Order has been passed on the company by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal for non-compliance with the provisions of Sections 73 to 76 of the Companies Act 2013.
- vi) We have broadly reviewed the books of account and records maintained by the company at its cement, engineering and electric power generation units pursuant to the Rules made by the Central Government for the maintenance of Cost Records under section 148(1) of the Companies Act, 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
- vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, in our opinion, the company is regular in depositing with the appropriate authorities, the undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Goods and Service Tax, Service Tax, duty of Customs, duty of Excise, Value added tax, Cess and other statutory dues applicable to it; and
- According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Income Tax, Sales Tax, Goods and Service Tax, Service Tax, duty of customs, duty of Excise, value added tax, cess and other statutory dues were in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there were no amounts of Sales Tax, duty of Customs, Goods and Service Tax, duty of Excise, Cess, Income Tax, Service Tax, Provident fund, Employee State Insurance, Value added tax and other statutory dues applicable to it that have been disputed by the company, and hence, were not remitted to the concerned authorities at the date of the Balance Sheet under report, except the dues mentioned hereunder

No.	Nature of dues	Name of the statute	Period	Amount in Rs in Lakhs	Amount paid under protest (Rs. in Lakhs)	Forum where the dispute is pending
1	Excise duty and related demands	Central Excise Act 1944	1996-2017	1544.39	0	At various Appellate forums
2	Sales tax and related demands	AP Sales Tax Act 1957	1996-2001 and 2011-12	4744.29	92.56	AP High Court
3	Sales tax and related demands	Tamilnadu Sales Tax Act	2015-16	6.87	6.87	Addl. Commissioner of Commercial taxes
4	GST	CGST Act,2017	2017-18 and 2018-19	200.97	11.76	Deputy Commissioner of CT & GST
5	State Load Despatch Centre charges	AP Electricity Duty Act 1938	2010-11	35.51	0	Hon'ble High Court of Andhra Pradesh

viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Hence, reporting under clause 3(viii) is not applicable.

ix) (a) According to the records of the company examined by us, and the information and explanations given to us, there were no defaults in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year under report.

(b) The company has not been declared wilful defaulter by any bank or financial institution or other lender.

(c) The Company has not raised any new term loans during the year. The term loans outstanding at the beginning of the year were applied for the purpose for which they were taken.

(d) On an overall examination of the financial statements of the Company, funds raised on

short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the company, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) The company has not raised loans during the year on the pledge of securities held in its subsidiaries, associate or joint venture. Hence, the reporting on clause 3(ix)(f) of the Order is not applicable.

x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence, reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence, reporting under clause 3(x)(b) of the Order is not applicable.

- xi) (a) No fraud by the company and no material fraud on the company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year (and up to the date of this report), while determining the nature, timing and extent of our audit procedures.
- xii) The company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- xiii) In our opinion, the Company is in compliance with section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv) (a) In our opinion the company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv) In our opinion during the year the company has not entered into non-cash transactions with directors or persons connected with its directors, and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016 and accordingly reporting under 3(xvi)(d) of the Order is not applicable.
- xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii) There has been no resignation of the statutory auditors of the Company during the year.
- xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- (b) There are no ongoing projects, and hence no unspent amount required to be transferred to special account in compliance with the provision of sub-section 6 of section 135 of the Companies Act, 2013.

for **K.S.RAO & CO**
Chartered Accountants
Firm Regn.No.003109S

(P.GOVARDHANA REDDY)
Partner

Place : Chennai
Date : 18.05.2022

Membership No. 029193
UDIN220229193AJRMZA2175

Annexure - B to the Independent Auditors' Report

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of The KCP LIMITED of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of The KCP Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both

issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3)

provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial Statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at Mar^{ch} 31, 2022, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

for **K.S.RAO & CO**
Chartered Accountants
Firm Regn.No.003109S

(P.GOVARDHANA REDDY)
Partner

Place : Chennai Membership No. 029193
Date: May 18, 2022 UDIN220229193AJRMZA2175

Balance Sheet

(Rs in Lakhs)

	Particulars	Note No.-	As on 31-03-2022	As on 31-03-2021
I	Assets			
1	Non-current Assets			
	(a) Property, Plant and Equipment	2	85,844.02	88,255.47
	(b) Capital work-in-progress	3	423.60	1,959.38
	(c) Investment Property	4	-	0.47
	(d) Other Intangible Assets	5	538.48	551.13
	(e) Financial Assets			
	(i) Investments	6	2,893.34	2,890.60
	(ii) Trade Receivables	7	215.61	544.62
	(iii) Loans		-	-
	(iv) Others financial assets	8	3,768.88	12.14
	(f) Deferred Tax Assets (Net)		-	-
	(g) Other Non-current Assets	9	1,107.69	1,000.72
2	Current Assets			
	(a) Inventories	10	18,228.89	11,929.20
	(b) Financial Assets			
	(i) Investments		-	-
	(ii) Trade Receivables	11	5,549.47	6,319.93
	(iii) Cash and cash equivalents	12	209.57	171.63
	(iv) Bank balances other than (iii) above	12A	20,021.47	18,084.78
	(v) Other financial assets	13	1,265.41	536.35
	(c) Current Tax Assets (Net)	14	796.91	1,237.55
	(d) Other Current assets	15	9,995.18	5,538.97
	Assets Held for Sale	15A	0.47	-
	Total Assets		1,50,858.99	1,39,032.93
II	Equity and Liabilities			
	Equity			
	(a) Equity Share Capital	16	1,289.21	1,289.21
	(b) Other Equity	17	71,071.93	60,650.28
	(c) Deferred Government Grant		26.43	28.42
	Liabilities			
1	Non-current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	18	17,889.24	24,775.61
	(ia) Lease Liabilities		249.60	248.83
	(ii) Trade Payables	19		
	Due to Micro and Small Enterprises		-	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises		-	271.26
	(iv) Other financial liabilities	20	1,521.93	1,343.77
	(b) Provisions	21	1,375.83	1,292.29
	(c) Deferred Tax Liabilities (Net)	22	8,815.87	7,067.54
	(d) Other non-current liabilities		-	-
2	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	23	15,741.74	14,607.66
	(ia) Lease Liabilities		4.73	31.02
	(ii) Trade payables	24		
	Total outstanding dues of micro enterprises and small enterprises		245.00	334.03
	Total outstanding dues of creditors other than micro enterprises and small enterprises		8,383.34	7,270.82
	(iv) Other financial liabilities	25	20,100.46	16,041.28
	(b) Other current liabilities	26	3,379.46	3,322.83
	(c) Provisions	27	764.23	458.07
	(d) Current tax Liabilities (Net)		-	-
	Total Equity and Liabilities		1,50,858.99	1,39,032.93
	The accompanying notes form an integral part of the financial statements	1,37 to 60		

(FOR AND ON BEHALF OF THE BOARD)

Dr. V.L. INDIRA DUTT
Chairperson & Managing Director
DIN: 00139883

V. KAVITHA DUTT
Joint Managing Director
DIN: 00139274

G N MURTY
Chief Financial Officer

Y VIJAYAKUMAR
Company Secretary
ACS: 16353

As per our report annexed

for K.S.RAO & CO
Chartered Accountants
Firm Regn No. 003109S

P GOVARDHANA REDDY
Partner
ICAI Mem No: 029193

Place: Chennai
Date : May 18, 2022



Profit and Loss Statement

(Rs in Lakhs, except no. of equity shares, EPS and per equity share data)

Particulars	Note No	FY 2021-2022	FY 2020-2021
Income			
Revenue from Operations	28	1,58,436.20	1,29,487.57
Other Income	29	6,415.68	4,211.53
Total Revenue		1,64,851.89	1,33,699.11
Expenses			
Cost of Raw Materials and Components consumed	30	30,930.78	22,894.57
[Increase]/Decrease in Inventories of finished goods, Work-in-progress and traded goods	31	(3,961.79)	4,051.01
Employee Benefits expense	32	10,021.07	9,281.00
Power and fuel		46,086.79	27,075.15
Freight and Forwarding expense		36,133.29	24,785.51
Finance Costs	33	3,158.03	4,241.50
Depreciation and amortization expense	33A	6,517.24	6,942.15
Other expenses	34	17,758.46	12,752.69
Total Expenses		1,46,643.86	1,12,023.59
Profit/(Loss) before Exceptional items and Tax		18,208.03	21,675.52
Less : Exceptional Items (Net)		-	-
Profit/(Loss) before Tax		18,208.03	21,675.52
Add : Income Tax Refund		-	-
Less : Tax Expenses	35		
Short /(Excess) provision of Income Tax of Eariler Years		338.95	-
Short /(Excess) MAT credit utilised / (entitlement)		(127.64)	-
Current tax (includes utilisation of MAT Credit of Rs 1822.98Lakhs)		5,050.00	3,812.00
MAT credit utilised / (entitlement)		-	(1,793.13)
Deferred tax		16.53	4,324.50
Total Tax Expense		5,277.83	6,343.37
Profit/(Loss) for the year from continuing operations - after tax (A)		12,930.20	15,332.15
Profit / (Loss) from discontinued operations		-	-
Less : Tax expense of discontinued operations		-	-
Profit / (Loss) from discontinued operations - after tax (B)		-	-
Profit / (Loss) for the year (A) + (B)		12,930.20	15,332.15
Other Comprehensive Income (OCI)			
a) Items that will not be reclassified to P&L	36	106.34	150.71
b) Items that will be reclassified subsequently to Profit or loss		-	-
c) Impact of income tax on above (a) and (b)		(36.46)	(50.30)
Total Other Comprehensive Income (OCI)		69.88	100.41
Total Comprehensive Income for the period (Comprising P&L + OCI)		13,000.07	15,432.56
Earnings per share (for Continuing Operations) Basic and diluted - Rs per share	46	10.03	11.89
Earnings per share (for Discontinued Operations) Basic and diluted Rs per share		-	-
Total Earnings per Share (Face value of share is Rs.1) Basic and diluted Rs per share		10.03	11.89
Computed on the basis of total profit for the year			
The accompanying notes form an integral part of the Standalone financial statements	1,37 to 60		

Standalone

(FOR AND ON BEHALF OF THE BOARD)

Dr. V.L. INDIRA DUTT
Chairperson & Managing Director
DIN: 00139883

V. KAVITHA DUTT
Joint Managing Director
DIN: 00139274

G N MURTY
Chief Financial Officer

Y VIJAYAKUMAR
Company Secretary
ACS: 16353

As per our report annexed

for **K.S.RAO & CO**
Chartered Accountants
Firm Regn No. 003109S

P GOVARDHANA REDDY
Partner
ICAI Mem No: 029193

Place: Chennai
Date : May 18, 2022

Statement of Changes in Equity for the year ended March 31, 2022
(Rs in Lakhs, except equity share)

A Equity share capital

Particulars	No of Shares	Amount (Rs.Lakhs)
Balance as at 1st April, 2020	12,89,21,160	1,289
Changes in equity share capital due to prior period errors during 2020-21	-	-
Restated Balance at the beginning of the current period	12,89,21,160	1,289
Changes in equity share capital during 2020-21	-	-
Balance as at 31st March, 2021	12,89,21,160	1,289
Changes in equity share capital due to prior period errors during 2021-22	-	-
Restated Balance at the beginning of the current period	12,89,21,160	1,289
Changes in equity share capital during 2021-22	-	-
Balance as at 31st March, 2022	12,89,21,160	1,289

B Other Equity

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Capital Redemption Reserve	Capital Reserve on reorganisation	Capital Reserve on Amalgamation	Other Reserves (General reserve)	Retained Earnings	Equity instruments through Other Comprehensive Income	Actuarial Gains/ losses reserve	Money received against share warrants	Total
Balance at the beginning of reporting period - 01-04-2020	-	-	2,000.00	279.91	103.83	26,763.58	17,182.14	(10.80)	(907.55)	-	45,411.11
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-
Restated Balance at the beginning of the previous reporting period	-	-	-	-	-	-	-	-	-	-	-
Profit for the period	-	-	-	-	-	-	15,332.15	-	-	-	15,332.15
Other Comprehensive Income	-	-	-	-	-	-	-	6.76	93.65	-	100.41
Total Comprehensive Income for the year	-	-	-	-	-	-	15,332.15	6.76	93.65	-	15,432.56
Transfer from/to General Reserve	-	-	-	-	-	-	-	-	-	-	-
Adjustments for lease rentals under Ind AS 116.	-	-	-	-	-	-	-	-	-	-	-
Final Dividends	-	-	-	-	-	-	(193.38)	-	-	-	(193.38)
Interim Dividend	-	-	-	-	-	-	-	-	-	-	-
Dividend Distribution tax	-	-	-	-	-	-	-	-	-	-	-

Rs. in Lakhs

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Capital Redemption Reserve	Capital Reserve on reorganisation	Capital Reserve on Amalgamation	Other Reserves (General reserve)	Retained Earnings	Equity instruments through Other Comprehensive Income	Actuarial Gains/ losses reserve	Money received against share warrants	Total
Balance at the end of reporting period - 31-03-2021	-	-	2,000.00	279.91	103.83	26,763.58	32,320.91	(4.04)	(813.91)		60,650.28
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-
Restated Balance at the beginning of the current reporting period	-	-	-	-	-	-	-	-	-	-	-
Profit for the period	-	-	-	-	-	-	12,930.20	-	-	-	12,930.20
Other Comprehensive Income	-	-	-	-	-	-	-	2.00	67.88	-	69.88
Total Comprehensive Income for the year	-	-	-	-	-	-	12,930.20	2.00	67.88	-	13,000.07
Transfer from/to General Reserve	-	-	-	-	-	-	-	-	-	-	-
Adjustments for lease rentals under Ind AS 116.	-	-	-	-	-	-	-	-	-	-	-
Final Dividends	-	-	-	-	-	-	(2,578.42)	-	-	-	(2,578.42)
Dividend Distribution tax	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of reporting period - 31-03-2022	-	-	2,000.00	279.91	103.83	26,763.58	42,672.68	(2.04)	(746.03)		71,071.93

The accompanying notes form an integral part of the Standalone financial statements 1,37 to 60

As per our report annexed
for K.S.RAO & CO
Chartered Accountants
Firm Regn No. 003109S
P GOVARDHANA REDDY
Partner
ICAI Mem No: 029193

(FOR AND ON BEHALF OF THE BOARD)
Dr. V.L. INDIRA DUTT
Chairperson & Managing Director
DIN: 00139883
G N MURTY
Chief Financial Officer
V. KAVITHA DUTT
Joint Managing Director
DIN: 00139274
Y VIJAYAKUMAR
Company Secretary
ACS: 16353

Place: Chennai
Date : May 18, 2022

Cash Flow Statement

(Rs in Lakhs)

Particulars	Note. No	FY 2021-2022	FY 2020-2021
(A) Cash flow from operating activities			
Profit before tax from continuing operations		18,208.03	21,675.52
Profit before tax		18,208.03	21,675.52
Adjustments for :			
Depreciation on tangible fixed assets	2&4	6,468.90	6,895.03
Amortization on intangible fixed assets	5	48.34	47.12
Loss/(profit) on sale of fixed assets	29	(23.29)	0.13
Assets written off		72.00	147.35
Expected Credit loss		(1.83)	5.18
Discounting of trade receivables		(8.26)	(9.57)
Amortisation of government grant		(1.99)	(1.99)
Unrealised foreign exchange loss/ (gain)		(85.43)	0.00
Actuarial gain on defined benefit plan-gratuity		219.95	87.01
Actuarial loss on defined benefit plan-leave		(115.61)	6.63
Interest expense	33	3,158.03	4,241.50
Interest income		(1,037.28)	(516.30)
Decommissioning provision credited back		0.00	(193.75)
Dividend income	29	(4388.10)	(3048.40)
Operating profit before working capital changes		22,513.44	29,335.47
Movements in working capital:			
Adjustments for Increase / (Decrease) in operating liabilities :			
Increase/(decrease) in trade payables		752.23	(2208.30)
Increase/(decrease) in non current- other financial liabilities		195.21	1583.42
Increase/(decrease) in long term provisions		6.70	(313.20)
Increase/(decrease) in current- other financial liabilities		3977.64	2085.84
Increase/(decrease) in other current liabilities		56.63	2242.15
Increase/(decrease) in current provisions		306.16	77.21
Adjustments for Decrease / (Increase) in operating assets :			
Decrease/[increase] in non current trade receivables		337.27	17.48
Decrease/[increase] in non current other financial assets		(3756.74)	11.04
Decrease/[increase] in other non-current assets		(106.97)	(14.71)
Decrease/[increase] in inventories		(6299.69)	3266.32
Decrease/[increase] in current trade receivables		772.29	(2320.54)
Decrease/[increase] in other bank deposits		(1936.70)	(16,235.65)
Decrease/[increase] in current other financial assets		(744.77)	(361.22)
Decrease/[increase] in other current assets		(4456.68)	(849.80)
Cash generated from/[used in] operations		11,616.02	16,315.50
Direct taxes paid [net of refunds]		(3125.33)	(3293.30)
Net cash flow from/[used in] operating activities (A)		8,490.70	13,022.20
(B) Cash flows from investing activities			
Purchase of Fixed assets, including intangible assets, CWIP	2,3,4&5	(2663.71)	(2183.46)
Proceeds from sale of fixed assets		109.32	191.69
Purchase of current investments		(0.75)	(0.40)
Interest received		1052.99	374.61
Dividends received		4473.53	3048.40
Net cash flow from/[used in] investing activities (B)		2,971.38	1,430.84
C. Cash flows from financing activities			
Proceeds/ (Repayment) from long term Borrowings (net)		(6886.37)	(4121.03)
Proceeds/ (Repayment) of short term borrowings		1134.08	(7248.34)
Principal repayment of lease liabilities		(24.02)	(62.11)
Interest repayment of lease liabilities		(29.48)	(33.64)
Interest paid		(3007.54)	(4489.93)
Dividends paid		(2610.80)	(213.17)
Net cash flow from/[used in] in financing activities (C)		(11,424.13)	(16,168.23)
Net increase/[decrease] in cash and cash equivalents (A+B+C)		37.95	(1715.19)
Cash and Cash equivalents at the beginning of the year		171.63	1886.81
Cash and Cash equivalents at the end of the year		209.57	171.63
Components of cash and cash equivalents			
Cash on hand		6.90	7.88
Cheques/drafts on hand		20.10	21.93
Balance in current account		182.57	141.82
On deposit account (<3 months)		0.00	0.00
Total Cash and Cash equivalents		209.57	171.63
The accompanying notes form an integral part of the Standalone financial statements	1,37 to 60		

(FOR AND ON BEHALF OF THE BOARD)

Dr. V.L. INDIRA DUTT
Chairperson & Managing Director
DIN: 00139883

V. KAVITHA DUTT
Joint Managing Director
DIN: 00139274

G N MURTY
Chief Financial Officer

Y VIJAYAKUMAR
Company Secretary
ACS: 16353

As per our report annexed

for K.S.RAO & CO
Chartered Accountants
Firm Regn No. 003109S

P GOVARDHANA REDDY
Partner
ICAI Mem No: 029193

Place: Chennai
Date : May 18, 2022

Notes on Financial Statements (Standalone) as at 31st March, 2022

1. Company overview and significant accounting policies

1.1 Company Overview

The KCP Limited (“the company”) a public limited company incorporated and domiciled in India and has its registered office at Chennai. The securities of the company are listed in National stock exchange of India limited.

The company is engaged in the business of manufacture and sale of cement, heavy engineering, power generation for captive use and hospitality.

These financial statements for the year ended March 31, 2022 are presented in Indian rupees (INR) and rounded to nearest lakhs, were approved and authorized by the board of directors for issue on May 18, 2022.

1.2 Basis Of Preparation Of Financial Statements

These financial statements are prepared in accordance with the Indian accounting standards (“IND AS”), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, as per the provision of The Companies Act 2013 (“the act”) and the guidelines of The Securities and Exchange Board of India (SEBI). The IND AS are prescribed under section 133 of the act read with rule 3 of the Companies (India Accounting standards) Rule 2015 and relevant amendments rules issued thereafter. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or revision to existing accounting standard requires a change in the accounting policy hitherto in use.

The company assets and liabilities have been classified as current or non-current as per the company’s operating cycle and other criteria set out below.

An asset is classified as current if:

- (a) it is expected to be realized or sold or consumed in the Company’s normal operating cycle;
- (b) it is held primarily for the purpose of trading;
- (c) it is expected to be realized within twelve months after the reporting period; or

(d) it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current if:

- (a) it is expected to be settled in normal operating cycle;
- (b) it is held primarily for the purpose of trading;
- (c) it is expected to be settled within twelve months after the reporting period;
- (d) it has no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between acquisition of assets for processing and their realization in cash and cash equivalents. The Company’s normal operating cycle is twelve months.

1.3 Use of Estimates, Judgements and Assumptions

The preparation of financial statements, in conformity with the IND AS, requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. The management believes that these estimates and assumptions are reasonable and prudent. However, actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future period. The application of Accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed below.

- Estimation of fair value of unlisted securities.
- Defined benefit obligation.
- Estimation of useful life of Property, Plant and Equipment.
- Estimation and evaluation of provisions and contingencies relating to tax litigations.

- Expected Credit Losses.
- Revenue recognition in case of Engineering job work contracts.
- Measurement of Lease liabilities and Right of Use Asset
- Estimation of uncertainties relating to the global health pandemic from COVID-19

The COVID -19 pandemic continues to be human tragedy declared as global pandemic by the World Health Organisation with adverse impact on economy and business. The company has considered the possible effects, if any, that may result from Covid-19 on the carrying amounts of financial assets, inventory, receivables, advances, etc., as well as liabilities accrued. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company has used internal and external sources of information. The Company has reviewed the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions

1.4 Recent Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS 16 – Property Plant and Equipment – Proceeds before intended use

The amendment clarifies that the excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant and equipment.

The effective date for adoption of this amendment is annual periods beginning on or after 1st April, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 37 – Provisions, Contingent liabilities and Contingent assets – Onerous contracts – cost of fulfilling a contract

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (for example, direct labour and materials) or an allocation of other costs that relate directly to fulfilling contracts (for example, an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling that contract among others).

The effective date for adoption of this amendment is annual periods beginning on or after 1st April, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material on its financial statements.

1.5. Significant Accounting Policies

I. Revenue Recognition

The company derives revenues primarily from sale of goods comprising Cement, Engineering Job work, Power, Hospitality in the brand name of Mercure.

The company recognizes revenue when its customer obtains control of promised goods or services, in an amount that reflects consideration which the entity expects to receive in exchange for those goods or services excluding the amount collected on behalf of the third parties.

Engineering job work can be either 'material cum service' contracts or service contracts.

Performance obligation in case of 'material cum services' is satisfied at a point in time. Consequently revenue is recognized when customer obtains control over promised goods and the entity has satisfied performance obligation. In case of 'service contracts' revenue is recognized based on performances completed to date by using either 'Input method' or 'output method' as prescribed for measuring progress of performance obligation under IND AS 115.

The company accounts for Discount such as Quantity discounts, performance discounts and selling commission to dealers as a reduction from revenue based on target achievement by customer towards earning the discount/commission.

Trade receivables and contract balances: -

The company classifies the right to consideration in exchange for transferring control over goods or services either as a trade receivable or as contract asset. Trade Receivable is a right to consideration that is unconditional and contract assets is a right to consideration that is conditional on something other than passage of time.

Other income: -

- a) Dividend income:- Dividend is recognized in statement of profit or loss only when the right to receive payment is established, it is probable that economic benefits associated with the dividend will flow to the company and the amount of dividend can be reliably measured.
- b) Interest income:- Interest income is recognized as it accrues in the statement of profit or loss using effective interest rate.

II. Borrowing Cost

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets, are capitalised as part of the cost of that asset. Qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. Interest income earned on the temporary investment of specific borrowing is deducted from the borrowing cost eligible for capitalization. Borrowing costs also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

All other borrowing costs are charged to revenue in the period in which they are incurred.

III. Government Grants

Grants from government are recognized when there is a reasonable assurance that grant will be received, and the company will comply with all stipulated conditions.

Grants relating to revenue items will be presented separately as 'Other income' in statement of profit or loss or deducted in reporting the related expense.

Grants relating to assets are treated as deferred income under non-current liabilities and credited to statement of profit or loss on straight-line basis over the expected useful life of the related assets under other income.

IV. Employee Benefits

Employee benefits includes short term employee benefits, Post employment benefits, Other long term benefits and Termination benefits.

Short term employee benefits:

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

Post employment benefits:-

- a) **Defined contribution plans:** These benefits include Pension, superannuation and Employee State Insurance (ESI).

Entity contributes at statutorily prescribed minimum rates, monthly to Provident fund, ESI and will have no legal obligation to pay further contribution if fund doesn't have sufficient assets to pay all employee benefits relating to employee service in current and prior periods. Whereas yearly contribution is paid to Life insurance corporation towards superannuation Pension, monthly contributions are made in the case of Provident Fund and ESI. Thus, PF, Superannuation, ESI benefits are defined contribution plans. These contributions are recognized in statement of profit and loss by way of charge against income.

b) Defined benefits plans- Leave Absences and Gratuity

Cost of providing these benefits is determined using projected unit credit method by actuary at the end of each reporting period. It has two components, one is service cost and other is rereasurements. Service cost comprises a) current service cost including gains/loss on curtailment or settlements, b) past service cost in case of plan amendment c) net Interest expense or income. Remeasurements comprise actuarial gains/losses, return on plan assets excluding interest and effect of change in assets ceiling. Service cost is recognized in statement of profit or loss while rereasurements are in other comprehensive income.

c) Defined benefits plans- Covid Death

Family of the employees who have died due to Covid are provided with monthly pension till the deemed superannuation date of the deceased employee,

by subscribing to the customized insurance policy through lumpsum payment to the insurer.

The Plan assets created by the insurer are remeasured at the end of accounting period for recognition of gain or loss through FVTPL.

V. Property, Plant And Equipment

a) Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and borrowings costs attributable to acquisition of qualifying property, plant and equipment up to the date the asset is ready for its intended use and initial estimate cost of decommissioning & restoring the site on which it is located.

Freehold land is not depreciated.

b) *Construction Period Expenses on Projects*:- All identifiable revenue expenses including interest on term loans incurred in respect of various projects/ expansions are allocated to capital cost of respective assets/ capital work in progress.

c) An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

d) Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives.

e) The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

f) The company follows the process of componentization for property, plant and equipment. Accordingly, the company has identified a part

of an asset as a separate component in whole asset value (beyond certain value) and useful life of the part is different from the useful life of the remaining asset. The useful life is assessed based on technical advice, taking into account the nature of the asset/component of an asset, the estimated usage of the asset /component of an asset on the basis of management's best estimation of getting economic benefits from those class of assets / components of an asset. The Company uses its technical expertise along with historical and industry trends for arriving the economic life of an asset/ component of an asset.

g) Machinery spares which can be used only in connection with a particular item of Fixed Assets and the use of which is irregular, are capitalized at cost.

h) Non current assets held for sale:- Assets held for sale are measured at the lower of carrying amount or fair value less cost to sell. The determination of fair value less cost to sell includes use of management estimates and assumptions. Non-current assets and disposal group that cease to be classified as "Held for sale" shall be measured at the lower of carrying amount before the the non-current assets and disposal group was classified as "Held for sale" and the recoverable amount at the date of subsequent decision not to sell.

i) Tangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Capital work-in progress". Advances given towards acquisition /construction of fixed assets outstanding at each Balance Sheet date are disclosed as Capital Advances under "Other Non-Current Assets".

j) Developmental stripping cost: - Developmental stripping cost incurred in order to obtain access to quantities of mineral reserves that will be mined in future periods are capitalized as a part of mining assets. Capitalization of stripping cost ends when commercial production of mineral reserves begins.

VI. Mine closure, site restoration and decommissioning obligations:

An obligation for restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the development or ongoing extraction from mines.

The company recognises unavoidable obligations, legal or assumed, to restore the mines upon exhaustion of reserves/end of lease period whichever is earlier.

The obligation is estimated on the basis of cash flows expected to be incurred as per applicable mining regulations, which mainly includes cost of plantation, fencing, biodiversity management, sustainable development, rainwater harvesting, etc.

The estimate of expenses are escalated for inflation, and then discounted at a discount rate that reflects the current market assessment of the time value of money and the risks, such that the amount of provision reflects the present value of the expenditures expected to be required to be settle the obligation.

The company records a corresponding asset associated with the liability for final reclamation and mine closure. The obligation and corresponding assets are recognised in the period in which the liability is incurred. The asset representing the total site restoration cost as per mine closure plan is recognised as a separate item in PPE and amortised over the balance project/mine life.

The value of the provision is progressively increased over time as the effect of discounting unwinds creating an expense recognised as financial expenses.

Subsequent adjustments to the obligation for changes in the estimated cashflows/disbursement period/ discount rate are made against fixed assets and depreciation/amortisation is modified prospectively.

VII. Intangible Assets

An intangible asset is an identifiable non-monetary asset without physical substance. It is measured at the consideration paid for its acquisition and stated at the end of each year net of amortization and impairment. Intangible assets are amortized over their individual estimated lives of 4-7 years. Amortization methods and useful lives are reviewed at the end of financial year.

VIII. Investment Property

Investment properties are measured initially at cost, including transactions costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Investment properties are de-recognized either when they have been disposed-off or when they are permanently withdrawn from use and no future

economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of de-recognition.

IX. Depreciation: -

Depreciation is provided in accordance with the useful life as prescribed under Part C of Schedule-II to the Companies Act, 2013 as follows: -

- In respect of assets existing as on 30-6-1988, under the written down value method; and
- In respect of assets acquired on or after 1-7-1988, under the straight-line method except for decommissioning cost.

Decommissioning cost is depreciated using depletion method.

Useful life for parts of Assets having significant cost, is assessed based on technical estimate which is different from the life given under the Schedule-II to The Companies Act, 2013, as given below.

No.	Description of the Asset	Estimated useful lives (Years)
1	Transformers	30
2	Economisers in Boilers in CPP; Turbine, Generators, sluice Gates, Switchgears and cables in Hydel plant	25
3	Electrical components like panels, Motors, Insulators which are components of plant and machinery	10
4	Economisers in Boilers and water preheater in Waste heat recovery plant; Evaporators in CPP	5

X. Financial Instrument

Initial Recognition: -

The company recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instruments. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are directly measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities

that are not at fair value through profit or loss, are added to the fair value on initial recognition.

Subsequent Recognition & Classification: -

Financial assets carried at amortized cost:

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows, and the contractual terms of the financial asset gives rise on specified dates to cash flow that are solely payments of principal and interest on the principal outstanding.

Financial assets at fair value through other comprehensive income:

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial asset and contractual terms of the financial asset give rise on specified dates to cash flows that solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss:

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

Financial liabilities: Financial liabilities are subsequently carried at amortised cost using the effective interest method.

Impairment: -

The company recognizes loss allowances using the expected credit loss (ECL) model for financial assets and unbilled revenues which are not fair valued through profit or loss. Loss allowance for trade receivables and unbilled revenue with no significant finance component is measured at an amount equal to life time ECL using provision matrix as shown below. This estimation of ECL should consider past events, current conditions and reasonable & supportable forecasts. For all other financial assets, expected credit loss are measured at an amount equal to 12-month ECL unless there is significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

The amount of expected credit loss (or reversal) that is required to adjust the loss allowance at the reporting date is recognized as impairment gain or loss in the statement of profit or loss.

De-recognition of financial instrument: -

Financial assets:

A financial asset shall be derecognised when, and only when

- the contractual rights to the cash flows from the financial asset expire, or
- it transfers the financial asset and the transfer qualifies for de-recognition.

On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the consideration received shall be recognised in profit or loss.

Financial Liabilities:

A financial liability shall be derecognised when, and only when, obligation specified in the contract is discharged or cancelled or expires. The difference between the carrying amount of a financial liability extinguished or transferred and consideration paid shall be recognised in profit or loss.

XI. Inventories

Inventories are valued at the lower of cost and estimated net realisable value (net of allowances) after providing for obsolescence and other losses, where considered necessary. The cost comprises cost of purchase, cost of conversion and other costs including appropriate production overheads in the case of finished goods and work-in-progress, incurred in bringing such inventories to their present location and condition. Trade discounts or rebates are deducted in determining the costs of purchase. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. The cost net of taxes subsequently recoverable from tax authorities) of raw materials, stores & spares is determined on moving weighted average basis.

Stock of Scrap- Engineering Unit

- Purchased scrap and internally generated scrap for use in production are both valued at weighted average cost of purchased scrap.
- In respect of other scrap, the stock of scrap is not valued. As and when sales are made stocks are adjusted.

XII. Cash Flow Statement

Cash flows are reported using the indirect method, whereby the profit for the period is adjusted for the

effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions/banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Xiii. Foreign Currency

Functional currency: The functional currency of the company is Indian Rupee.

Transactions and translations: -Transactions in foreign currency are initially accounted at the exchange rate prevailing on the date of the transaction.

- Foreign currency denominated monetary assets/ liabilities- are translated into the relevant functional currency at exchange rates in effect at the balance sheet date. The gains or losses resulting from such translations are included in net profit in the statement of profit and loss.
- Foreign currency denominated non-monetary assets/ non-liabilities are translated at the exchange rate prevalent at the date of the transaction.
- Exchange differences arising on settlement of transactions and translation of monetary items are recognised as income or expense in the year in which they arise.

XIV. Investment In Subsidiaries And Joint Venture

Investments in subsidiaries and joint ventures are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down to its recoverable amount. On disposal of investments in subsidiaries and joint venture, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

XV. Income Tax

Income tax expense comprises current and deferred

income tax. Income tax expense is recognized in the net profit in the statement of profit or loss except to the extent that it relates to items recognized in Other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that is no longer probable that related tax benefits will be realized.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized, or the deferred income tax liability is settled.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Where the Company is entitled to claim special tax deductions for investments in qualifying assets or in relation to qualifying expenditure, the Company accounts for such allowances as tax credits, which means that the allowance reduce income tax payable and current tax expense. A deferred tax asset is recognized for unclaimed tax credits that are carried forward as deferred tax assets.

XVI. Earnings Per Share (Eps)

The company's Basic EPS is calculated by dividing profit or loss from continuing operations attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the period as per IND AS-33.

The diluted EPS of an entity is calculated on the same basis as basic EPS, after adjusting for the effects of dilutive potential ordinary shares unless the effect of the potential dilutive equity shares is anti-dilutive.

XVII. Provisions, Contingent Liabilities And Contingent Assets

Provision:

A provision is recorded when the company has a present legal or constructive obligation as a result of past

events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated. Provisions will be reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision shall be reversed. The estimated liability for product warranties is recorded when products are sold based on technical evaluation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. Provisions are discounted when time value of money is material. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expenses.

Contingent liabilities:

Contingent liability is recognised when it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future uncertain events not wholly within the control of the company, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Onerous contracts:

Onerous contract is a contract in which the unavoidable cost of meeting the obligations under the contract exceed the economic benefits expected to be received under it. Company estimates and provides provision at the lower of the following for onerous contracts.

- a) Net Cost of fulfilling the contract; or
- b) Compensation, penalties arising from the failure to fulfil it i.e. Cost of terminating the contract.

Contingent assets:

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. A contingent asset is disclosed when the inflow of economic benefit is probable.

XVIII. LEASES

The Company's lease asset consists of lease for Land, buildings and vehicles. The Company assesses whether a contract is or contains a lease, at inception of a

contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low value assets.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is re-measured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The re-measurement normally also adjusts the leased assets.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

XIX. SEGMENT REPORTING

The company publishes this financial statement along with the consolidated financial statements. In accordance with IND AS 108, Operating segments, the company has disclosed the segment information in the consolidated financial statements.

Note : 2 The changes in the carrying values of Property, Plant and Equipment for the year ended March 31, 2022 are as follows
(Rs in Lakhs)

Note. 2 TANGIBLE ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	COST AS ON 01-04-2021	ADDITIONS DURING THE YEAR	DEDUCTIONS DURING THE YEAR	COST UP TO 31-03-2022	TOTAL DEPRECIATION UPTO 31-03-2021	DEPRECIATION DURING THE YEAR	DEPRECIATION ON DEDUCTIONS	TOTAL DEPRECIATION UPTO 31-03-2022	AS AT 31-03-2022	AS AT 31-03-2021
1 Lands	4,675.92	1.02	-	4,676.94	-	-	-	-	4,676.94	4,674.71
2 (I) Buildings	15,751.45	996.47	2.70	16,745.23	2,460.54	505.28	1.56	2,964.26	13,780.96	13,292.12
(II) Lease Hold Buildings	8.93	-	-	8.93	1.21	0.24	-	1.45	7.48	7.72
3 Roads	226.30	76.03	-	302.33	148.35	22.65	-	171.00	131.33	77.95
4 Plant & Machinery	87,888.08	2,271.42	57.99	90,101.51	21,560.52	5,208.47	20.41	26,748.59	63,352.92	66,327.55
5 Furniture, Fixtures	1,944.36	54.82	0.62	1,998.56	1,201.68	196.22	0.33	1,397.56	601.00	742.68
6 Motor Vehicles	1,044.45	121.18	10.57	1,155.06	682.67	87.47	10.10	760.04	395.02	361.78
7 Railway Siding, Locomotives, Rolling Stocks	32.53	-	-	32.53	15.75	2.19	-	17.94	14.59	16.78
8 Ropeway Structures	176.52	208.50	92.43	292.59	167.43	36.84	23.10	181.17	111.42	9.09
9 Office Equipment	147.93	6.83	0.19	154.58	105.42	11.95	0.14	117.23	37.35	42.51
10 Computer & Data Processing Units	355.96	42.25	0.29	397.92	274.53	30.81	0.27	305.08	92.85	81.42
11 Laboratory Equipment	41.68	0.15	-	41.82	27.40	2.04	-	29.44	12.38	14.28
12 Electrical Installation & Equipment	2,785.09	25.73	2.94	2,807.88	1,510.57	228.18	2.49	1,736.26	1,071.61	1,274.52
13 Hydraulic Works, Pipelines & Sluices	91.30	-	-	91.30	28.53	6.25	-	34.78	56.52	62.78
14 Leased Lands (Decommissioning)	1,155.88	365.52	-	1,521.40	143.44	103.03	-	246.46	1,274.94	1,012.45
TOTAL	1,16,326.39	4,169.93	167.72	1,20,328.59	28,328.05	6,441.62	58.40	34,711.27	85,617.32	87,998.34

Note. 2.B LEASED ASSETS - RIGHT OF USE*	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	COST AS ON 01-04-2021	ADDITIONS DURING THE YEAR	DEDUCTIONS DURING THE YEAR	COST UP TO 31-03-2022	TOTAL DEPRECIATION UPTO 31-03-2021	DEPRECIATION DURING THE YEAR	DEPRECIATION ON DEDUCTIONS	TOTAL DEPRECIATION UPTO 31-03-2022	AS AT 31-03-2022	AS AT 31-03-2021
1 Lands	157.74	-	-	157.74	0.79	2.72	-	3.50	154.24	156.95
2 Buildings	251.17	-	-	251.17	161.44	17.28	-	178.72	72.45	89.73
3 Vehicles	26.88	-	1.49	25.39	16.43	8.96	-	25.39	-	10.45
TOTAL	435.79	-	1.49	434.30	178.65	28.95	-	207.61	226.69	257.14
TOTAL (2+2B)	1,16,762.18	4,169.93	169.21	12,0762.89	28,506.70	6,470.57	58.40	34,918.88	85,844.01	88,255.48

(Rs in Lakhs)

Note : 4 The changes in the carrying values of Investment Property for the year ended March 31, 2022 are as follows

Note.2.C ASSETS HELD FOR SALE	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	COST AS ON 01-04-2021	ADDITIONS DURING THE YEAR	DEDUCTIONS DURING THE YEAR	COST UP TO 31-03-2022	TOTAL DEPRECIATION DURING THE YEAR	DEPRECIATION ON DEDUCTIONS	TOTAL DEPRECIATION UPTO 31-03-2022	AS AT 31-03-2022	AS AT 31-03-2021	
1 Lands	0.47	-	0.47	-	-	-	-	-	0.47	
TOTAL	0.47	-	0.47	-	-	-	-	-	0.47	

Note : 5 The changes in the carrying values of Intangible Assets for the year ended March 31, 2022 are as follows

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	COST AS ON 01-04-2021	ADDITIONS DURING THE YEAR	DEDUCTIONS DURING THE YEAR	TOTAL DEPRECIATION UPTO 31-03-2021	DEPRECIATION DURING THE YEAR	DEPRECIATION ON DEDUCTIONS	TOTAL DEPRECIATION UPTO 31-03-2022	AS AT 31-03-2022	AS AT 31-03-2021
1 Computer Software	751.01	35.69	-	199.88	48.34	-	248.22	538.48	551.13
TOTAL	751.01	35.69	-	199.88	48.34	-	248.22	538.48	551.13
GRAND TOTAL FOR FY 2021-22	1,17,513.65	4,205.62	169.68	28,706.58	6,518.91	58.40	35,167.09	86,382.50	88,807.07
TOTAL FOR FY 2020-21	1,16,476.84	1,365.84	329.02	21,894.05	6,942.71	130.18	28,706.58	88,807.07	94,582.80

* Depreciation for the year includes an amount of Rs.1.67 lakhs capitalized.(Depreciation capitalized during the previous year : Rs 0.56 lakhs)

** Company's Land located at Gujarat has been reclassified from Investment Property to "Asset Held for Sale" under Non-Current Asset, as it is proposed to be disposed within a year.

*** Building of the Company located in Delhi has been reclassified under PPE from Investment property category as the Building is being used for Business purposes.

**** Market Value of Investment Property as on 31.03.2021 is Rs.25 lakhs.

Additional Regulatory Information:

1. Property of value Rs 1.67 Lakhs situated at flat no.406, 4th floor, Ansal Chamber-2, New Delhi was purchased in 1986 and the company entered into agreement for sale, pending registration. This property is in the possession of the company and paying municipal taxes since beginning.

2. One parcel of Land value of Rs 180/- to the extent of 25 cents was registered by District Civil Court Gurajala, mentioning survey number. 1026/B2 instead of 1027/3. This property is in the possession of the company. Necessary correction is being initiated to rectify the survey number.

Note : 2 Property, Plant and Equipment for the year ended March 31, 2021 consist of the following: (Rs in Lakhs)

Note. 2 TANGIBLE ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	COST AS ON 01-04-2020	ADDITIONS DURING THE YEAR	DEDUCTIONS DURING THE YEAR	COST UP TO 31-03-2021	TOTAL DEPRECIATION UPTO 31-03-2020	DEPRECIATION DURING THE YEAR	DEPRECIATION ON DEDUCTIONS	TOTAL DEPRECIATION UPTO 31-03-2021	AS AT 31-03-2021	AS AT 31-03-2020
1 Lands	4,674.71	-	-	4,674.71	-	-	-	-	4,674.71	4,674.71
2 (l) Buildings	15,410.45	342.22	-	15,752.66	1,942.92	517.63	-	2,460.54	13,292.12	13,467.53
(li) Lease Hold Buildings	8.93	-	-	8.93	0.97	0.24	-	1.21	7.72	7.96
3 Roads	208.28	18.02	-	226.30	130.20	18.15	-	148.35	77.95	78.08
4 Plant & Machinery	87,664.29	505.57	281.78	87,888.08	16,128.99	5,542.65	111.12	21,560.52	66,327.56	71,535.28
5 Furniture, Fixtures	1,878.19	68.21	2.04	1,944.36	965.02	237.48	0.82	1,201.68	742.68	913.17
6 Motor Vehicles	1,034.52	10.50	0.58	1,044.45	591.05	92.10	0.49	682.66	361.78	443.47
7 Railway Siding, Locomotives, Rolling Stocks	32.53	-	-	32.53	12.61	3.15	-	15.75	16.78	19.93
8 Ropeway Structures	176.52	-	-	176.52	167.43	-	-	167.43	9.09	9.09
9 Office Equipment	131.98	16.38	0.43	147.93	84.85	20.85	0.28	105.42	42.51	47.18
10 Computer & Data Processing Units	341.80	15.86	1.70	355.96	238.85	37.31	1.62	274.53	81.42	102.93
11 Laboratory Equipment	35.08	6.60	-	41.68	23.06	4.35	-	27.40	14.28	12.03
12 Electrical Installation & Equipment	2,747.15	41.41	3.47	2,785.09	1,217.09	296.02	2.54	1,510.57	1,274.52	1,530.06
13 Hydraulic Works, Pipelines & Sluices	82.41	8.89	-	91.30	22.77	5.76	-	28.53	62.78	59.64
14 Leased Lands (Decommissioning)	977.51	210.24	31.87	1,155.88	102.97	53.78	13.31	143.44	1,012.45	874.54
TOTAL	115,404.37	1,243.89	321.87	116,326.39	21,628.77	6,829.46	130.18	28,328.05	87,998.34	93,775.60

Note.2.B LEASED ASSETS - RIGHT OF USE*	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	Addition on account of Transition to Ind AS 116 - 1st April, 2020	ADDITIONS DURING THE YEAR	DEDUCTIONS DURING THE YEAR	COST UP TO 31-03-2021	TOTAL DEPRECIATION UPTO 31-03-2020	DEPRECIATION DURING THE YEAR	DEPRECIATION ON DEDUCTIONS	TOTAL DEPRECIATION UPTO 31-03-2021	AS AT 31-03-2021	AS AT 31-03-2020
1 Lands	37.02	120.72	-	157.74	0.39	0.39	-	0.79	156.96	36.63
2 Buildings	258.32	-	7.15	251.17	104.66	56.78	-	161.44	89.73	153.67
3 Vehicles	26.88	-	-	26.88	7.47	8.96	-	16.43	10.45	19.41
TOTAL	322.22	120.72	7.15	435.79	112.52	66.13	-	178.65	257.14	209.71
TOTAL (2+2B)	1,15,726.59	1,364.61	329.02	1,16,762.18	21,741.29	6,895.59	130.18	28,506.70	88,255.48	93,985.31



Note : 4 The changes in the carrying values of Investment Property for the year ended March 31, 2021 are as follows (Rs in Lakhs)

Note.2.C ASSETS HELD FOR SALE	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	COST AS ON 01-04-2021	ADDITIONS DURING THE YEAR	DEDUCTIONS DURING THE YEAR	COST UP TO 31-03-2022	TOTAL DEPRECIATION UPTO 31-03-2021	DEPRECIATION DURING THE YEAR	DEPRECIATION ON DEDUCTIONS	TOTAL DEPRECIATION UPTO 31-03-2022	AS AT 31-03-2022	AS AT 31-03-2021
1 Lands	0.47	-	0.47	-	-	-	-	-	-	0.47
TOTAL	0.47	-	0.47	-	-	-	-	-	-	0.47

Note : 5 The changes in the carrying values of Intangible Assets for the year ended March 31, 2021 are as follows

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	COST AS ON 01-04-2021	ADDITIONS DURING THE YEAR	DEDUCTIONS DURING THE YEAR	COST UP TO 31-03-2022	TOTAL DEPRECIATION UPTO 31-03-2021	DEPRECIATION DURING THE YEAR	DEPRECIATION ON DEDUCTIONS	TOTAL DEPRECIATION UPTO 31-03-2022	AS AT 31-03-2022	AS AT 31-03-2021
1 Computer Software	749.78	1.23	-	751.01	152.76	47.12	-	199.88	551.13	597.02
TOTAL	749.78	1.23	-	751.01	152.76	47.12	-	199.88	551.13	597.02
GRAND TOTAL FOR FY 2020-21	1,16,476.84	1,365.84	329.02	1,17,513.65	21,894.05	6,942.71	130.18	28,706.58	88,807.047	94,582.80
TOTAL FOR FY 2019-20	1,09,222.93	7,923.07	669.16	1,16,476.84	14,813.10	7,140.86	59.93	21,894.04	94,582.79	94,136.47

* Depreciation for the year includes an amount of Rs.0.56 Lakhs capitalized. (Depreciation capitalized during the previous year : NIL)

Note. 3 Capital Work-in-Progress (CWIP)	As at 31-03-2022	As at 31-03-2021
1. BUILDING UNDER CONSTRUCTION		
Opening Balance	892.11	693.42
Additions during the year	295.79	511.54
Less : Capitalisation during the year	(1,129.58)	(312.84)
Closing Balance	58.32	892.11
2. PLANT & MACHINERY UNDER INSTALLATION		
Opening Balance	1,067.27	493.11
Additions during the year	1,049.86	1,126.72
Less : Capitalisation during the year	(1,751.85)	(552.56)
Closing Balance	365.28	1,067.27
Total	423.60	1,959.38

CWIP Ageing Schedule for the Year 2021-22

Particulars	Amount in CWIP for a period of				
	Less than 1 Year	1 Year - 2 Years	2 Year - 3Years	More than 3 Years	Total
(i) Projects in Progress	373.59	49.60	0.41	-	423.60
(ii) Projects temporarily Suspended	-	-	-	-	-
Total	373.59	49.60	0.41	-	423.60

CWIP Ageing Schedule for the Year 2020-21

Particulars	Amount in CWIP for a period of				
	Less than 1 Year	1 Year - 2 Years	2 Year - 3Years	More than 3 Years	Total
(i) Projects in Progress	1,344.00	500.16	98.70	16.53	1,959.38
(ii) Projects temporarily Suspended	-	-	-	-	-
Total	1,344.00	500.16	98.70	16.53	1,959.38

The Cement Packing Terminal Project at Arakkonam with CWIP of Rs 928.46 Lakhs as on 31/03/2021, which was expected to be commissioned in FY 2020-21, has been delayed due to Covid-19 (non-availability of labour and delayed supplies by equipment manufacturers). The Project was commissioned in FY 2021-22. Original Outlay for the Project was Rs. 1,125 lakhs. The Project has been commissioned with total project cost of Rs. 1,473.67 lakhs.

Note. 6 Non current Financial Assets- Investments	As at 31-03-2022	As at 31-03-2021
Unquoted Equity instruments		
Investment in Subsidiary:		
203,23,332 (31 March 2021: 203,23,332) Equity shares of US \$ 1/- each, fully paid up in K.C.P.Vietnam Industries Ltd., Vietnam.	2,371.44	2,371.44

Note. 6 Non current Financial Assets- Investments	As at 31-03-2022	As at 31-03-2021
Investment in Joint Venture:		
4,00,000 (31 March 2021: 4,00,000) equity shares of Rs.10/- each, fully paid up in Fivescail KCP Ltd.,	40.00	40.00
Common Stock (unquoted):		
1,640 (31 March 2021: 1640) Non-Voting common stock of BGE Global Inc., par value \$0.01 per share	77.00	77.00
Preference Shares (unquoted):		
750 (31 March 2021: 750)Non-Voting preferred stock of BGE Global Inc., par value \$0.01 per share.	385.00	385.00
Sub Total	2,873.43	2,873.43
Investment in equity instruments(quoted):		
100 (31st March 2021: 100) equity shares of Rs.10/- each, fully paid up in IFCI Ltd.	0.01	0.01
14,240 (31st March 2021: 14,240) equity shares of Rs.10/- each, fully paid up in IDBI Bank	6.09	5.49
Equity instruments (unquoted):		
30 (31st March 2021: 30) equity shares of Rs. 10/- each Fully paid up in Andhra Pradesh Heavy Machinery and Engg Co.Ltd (Written off to the extent of Rs. 299/-)	0.00	0.00
100000 (31st March 2021: 100000) equity shares of Rs. 10/- each fully paid up in Prudential Sugar Corporation Ltd., (Written off to the extent of Rs. 9,99,999/-) (The Shares are not traded in the Stock Exchange though listed).	0.00	0.00
Other Investments - Unit Trust of India - Quoted:		
42,002.734 (31st March 2021 : 39,696.571) UTI Balanced Fund Units. of Rs.10/- each	13.80	11.66
	19.90	17.16
Total	2,893.34	2,890.60
Aggregate amount of quoted Investments - Market Value	19.90	17.16
Aggregate amount of quoted Investments - Book Value	15.54	15.54
Aggregate amount of unquoted Investments	2,873.43	2,873.43
Aggregate amount of impairment in value of Investments	-	-

Note. 6.1 Category wise Investment- as per IND AS 109 classification	As at 31-03-2022	As at 31-03-2021
Financial assets carried at cost		
Equity Instruments	2,873.43	2,873.43
Financial assets carried at amortised cost		
Equity Instruments	-	-
Financial assets carried at fair value through Profit or loss (FVTPL)		
Equity Instruments	-	-
Financial assets carried at fair value through OCI		
Equity Instruments	19.90	17.16
Total	2,893.34	2,890.60

Reasons for classification of Financial assets as per IND AS-107:

The company has elected an irrevocable option of classifying equity instrument that are not held primarily for trading at fair value through Other Comprehensive income (OCI).

Accounting for investments in Subsidiaries and joint venture are mentioned in accounting policy XIV of note 1.5 forming part of the Accounts.

Note 6.2 Details of Subsidiary and Joint venture

Name of the Company, Principal Activity & Place of domicile	Proportion of ownership interest / voting rights	
	As at 31-03-2022	As at 31-03-2021
KCP Vietnam Industries Ltd. (Subsidiary)	66.67%	66.67%
Manufacturers of Sugar and generation of power, Socialist Republic of Vietnam		
Fives Cail KCP Ltd. (Joint Venture)	40.00%	40.00%
Manufacturer of machinery, India		

The company has right to cast 66.67% of voting rights in the case of KCP Vietnam industries Ltd and 40% of Fives Cail KCP Ltd.

Note. 7 Non Current Financial Assets- Trade Receivables	As at 31-03-2022	As at 31-03-2021
Secured, considered good		
Unsecured, considered good	215.61	569.48
Receivables having Significant increase in credit risk	63.12	71.38
	278.73	640.86
Less: Provision for Doubtful Receivables	-	24.86
Less: Provision for expected credit loss	63.12	71.38
Total	215.61	544.62

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as per the provision matrix. The provision matrix is as follows:

CREDIT RISK	DEFAULT RATE(%)
Current	Nil
1-60 days past due	0.25
60-90 days past due	0.50
More than 90 days past due	1.00

(Rs in Lakhs)

Non Current Trade Receivables for the year 2021-22

Particulars	Outstanding for following periods from due date payment						Total
	Not Due	Less than 6 months	6 months- 1 Year	1 Year - 2 Years	2 Year - 3 Years	More than 3 Years	
(i) Undisputed trade receivables-Considered Good	215.61	-	-	-	-	-	215.61
(ii) Undisputed trade receivables-which have significant increase in credit risk	-	-	-	63.12	-	-	63.12
(iii) Undisputed trade receivables-credit impaired							
(iv) Disputed trade receivables-Considered Good							
(v) Disputed trade receivables-which have significant increase in credit risk							
(vi) Disputed trade receivables-credit impaired					63.12		63.12
Total	215.61	-	-	-	63.12	-	278.73
Less: Provision for doubtful debts							
Less: Provision for expected credit loss							63.12
Total							215.61

Non Current Trade Receivables for the year 2020-21

Particulars	Outstanding for following periods from due date payment						Total
	Not Due	Less than 6 months	6 months- 1 Year	1 Year - 2 Years	2 Year - 3 Years	More than 3 Years	
(i) Undisputed trade receivables-Considered Good	-	569.48	-	-	-	-	569.48
(ii) Undisputed trade receivables-which have significant increase in credit risk	-	-	-	71.38	-	-	71.38
(iii) Undisputed trade receivables-credit impaired							
(iv) Disputed trade receivables-Considered Good							
(v) Disputed trade receivables-which have significant increase in credit risk							
(vi) Disputed trade receivables-credit impaired							
Total	-	569.48	-	71.38	-	-	640.86
Less: Provision for doubtful debts							24.86
Less: Provision for expected credit loss							71.38
Total							544.62

Note. 8 Non current- Other Financial Assets	As at 31-03-2022	As at 31-03-2021
Earnest money deposit	4.50	12.14
Bank deposits with maturity more than 12 months	3,764.38	--
Total	3,768.88	12.14

Note.9 Non current- Other asset	As at 31-03-2022	As at 31-03-2021
Capital Advances	15.82	25.02
Sub-total	15.82	25.02
Advances other than Capital Advances		
Security Deposits	165.28	194.17
Sub-total	165.28	194.17
Others		
Prepaid expenses	26.29	13.64
Deposits/ Advances with Government Authorities	899.92	767.51
Others	0.39	0.39
Sub-total	926.60	781.54
Total	1,107.69	1,000.72

Note.10 Inventories	As at 31-03-2022	As at 31-03-2021
Raw materials and components at Cost (includes those in transit Rs. 62.59 lakhs) (As on 31-03-2021-Rs 16.72 Lakhs)	1,111.87	580.49
Coal At Cost (includes those in transit Rs.109.34 lakhs) (As on 31-03-2021- Rs. 1,422.72 Lakhs)	3,658.78	2,965.90
Work-in-progress		
: At Cost	6,428.84	3,998.90
: At Estimated Realisable Value	1,667.45	1,082.79
Finished goods		
: At Cost (includes in transit Rs.243.65 lakhs) (As on 31-03-2021 - Nil)	1,410.57	463.38
: At Estimated Realisable Value	-	-
Stores, spares at Cost (includes in transit Rs. 8.34 lakhs) (As on 31-03-2021 Rs 3.84 Lakhs)	3,951.40	2,837.75
Total	18,228.89	11,929.20

- ❖ The cost of inventories is recognised as an expense during the year in respect of continuing operation was Rs. 35,752.47 lakhs for year ended 31-03-2022 (Rs. 32,493.23 lakhs for the year ended 31-03-2021).
- ❖ The Amount of Write down of inventories to Net Realisable Value recognised as an expense was Rs.374.72 Lakhs (Rs 213.32 Lakhs for the year ended 31-03-2021). The mode of valuation of Inventories has been stated in accounting policy XI of Note1.5 forming part of the Account.
- ❖ The amount of goods in transit is Rs. 423.92 lakhs (Rs. 1,443.28 lakhs for previous year)

Note.11 Current- Trade receivables	As at 31-03-2022	As at 31-03-2021
Secured, considered good	4,121.78	4,209.30
Unsecured, considered good	1,441.75	2,121.43
Less: Provision for doubtful debts	5.10	-
Less: Provision for expected credit loss	8.96	10.79
Total	5,549.47	6,319.93

Current Trade Receivables for the year 2021-22

Particulars	Outstanding for following periods from due date payment						Total
	Not Due	Less than 6 months	6 months-1 Year	1 Year - 2 Years	2 Year - 3Years	More than 3 Years	
(i) Undisputed trade receivables- Considered Good	1,878.57	1,972.24	1,252.42	106.68	143.35	106.45	5,459.71
(ii) Undisputed trade receivables- which have significant increase in credit risk	8.73	56.29	-	-	0.00	-	65.02
(iii) Undisputed trade receivables- credit impaired	-	-	-	-	-	-	-
(iv) Disputed trade receivables- Considered Good	-	-	-	-	-	23.81	23.81
(v) Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables- credit impaired	-	-	-	-	-	-	-
Total	1,887.30	2,028.53	1,252.42	106.68	143.35	130.26	5,548.54
Add: To be billed							9.89
Less: Provison for expected credit loss							8.96
Total							5,549.47

Current Trade Receivables for the year 2020-21

Particulars	Outstanding for following periods from due date payment						Total
	Not Due	Less than 6 months	6 months-1 Year	1 Year - 2 Years	2 Year - 3Years	More than 3 Years	
(i) Undisputed trade receivables- Considered Good	2,276.41	2,992.94	686.56	155.20	157.65	38.16	6,306.91
(ii) Undisputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables- credit impaired	-	-	-	-	-	-	-
(iv) Disputed trade receivables- Considered Good	-	-	-	-	-	23.81	23.81
(v) Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables- credit impaired	-	-	-	-	-	-	-
Total	2,276.41	2,992.94	686.56	155.20	157.65	61.97	6,330.72
Add: To be billed							-
Less: Provison for expected credit loss							10.79
Total							6,319.93

Note 12 Cash and cash equivalents	As at 31-03-2022	As at 31-03-2021
Balances with Banks:		
Current accounts	182.57	141.82
Cheques/drafts on hand	20.10	21.93
Cash on hand	6.90	7.88
Total	209.57	171.63

Note 12A Bank balances other than Cash and Cash equivalents	As at 31-03-2022	As at 31-03-2021
Fixed Deposits with Banks (Maturity less than 12 months)	18,325.97	16,372.87
Fixed Deposits with banks maintained as required under the Companies Act in respect of Public deposits	744.00	894.00
Balance with banks for Unpaid dividend account	229.28	196.91
Margin money deposit for Bank Guarantees & Letters of credit	721.72	620.50
Balances with banks for public deposits	0.50	0.50
Total	20,021.47	18,084.78

Note 13. Current- Other Financial Assets	As at 31-03-2022	As at 31-03-2021
Interest accrued on fixed Deposits	14.28	32.22
Interest accrued on other Deposits	14.07	11.83
Staff Advances	30.79	35.80
Due from Gratuity Trusts	2.52	-
Non trade receivables from		
- Joint Venture	0.82	-
- Others	-	0.04
Contract Assets	1,171.31	456.45
Others - Employee Benefit Plan	31.61	-
Total	1,265.41	536.35

Note 14. Current Tax Assets (Net)	As at 31-03-2022	As at 31-03-2021
Advance tax		
Advance payment of Direct Taxes/TDS/TCS Credit	6,353.84	5,550.38
Provision for Tax		
Provision for Income tax	5,556.93	4,312.84
Total	796.91	1,237.55

Note 15. Other Current Assets	As at 31-03-2022	As at 31-03-2021
Advances other than Capital Advances		
Security Deposits	116.25	-
Sub-Total (a)	116.25	-

(Rs in Lakhs)

Note 15. Other Current Assets	As at 31-03-2022	As at 31-03-2021
Other Advances		
Advances recoverable in cash or kind		
Unsecured, considered good	113.84	28.20
Advances to Suppliers	6,126.63	2,321.50
Prepaid expenses	468.74	327.06
Dues from Statutory/Government Authorities	3,169.72	2,862.22
Sub-Total (b)	9,878.93	5,538.97
Total (a)+(b)	9,995.18	5,538.97
Note:15A Assets Held for Sale	As at 31-03-2022	As at 31-03-2021
Land	0.47	-
Total	0.47	-

* The Asset held for sale is the Land owned by the Company located at Gujarat to be disposed within a year.

Note.16 Share Capital	As at 31-03-2022	As at 31-03-2021
Authorised Share Capital:		
35,00,00,000 (31 March 2021 : 35,00,00,000) Equity shares of Re.1/- each	3,500.00	3,500.00
2,00,00,000(31 March 2021 : 2,00,00,000) 12% Redeemable cumulative Non-convertible Preference shares of Rs.10/- each	2,000.00	2,000.00
	5,500.00	5,500.00
Issued Share Capital:		
12,89,77,480 (31 March 2021 : 12,89,77,480) Equity shares of Re.1/- each	1,289.77	1,289.77
	1,289.77	1,289.77
Subscribed and fully paid-up :		
12,89,21,160 (31 March 2021 :12,89,21,160) Equity shares of Re.1/- each	1,289.21	1,289.21
Total issued, subscribed and fully paid-up capital	1,289.21	1,289.21

Note 16.1) Details of shareholders holding more than 5% share in the company:-

1. M/s. V. Ramakrishna Sons Pvt Ltd - 3,89,56,326 (3,89,56,326) equity shares of Rs.1/- each fully paid - 30.22% (30.22%)
2. Dr. V.L. Indira Dutt - 99,69,901 (98,87,101) equity shares of Rs 1/- each fully paid- 7.73% (7.67%)

Note 16.2) The reconciliation of the Opening and closing balance of the Subscribed and Paid-up equity shares of the company is set out below:-

Particulars	For FY 2021-22	For FY 2020-21
Equity Share Capital at the beginning of the Year	1,289.21	1,289.21
Add/Less : Changes during during the year	-	-
Equity Share Capital at the end of the Year	1,289.21	1,289.21

The Company has only one class of equity shares referred to equity shares having a par value of Rs.1. Each holder of equity share is entitled to one vote per each share. In the event of liquidation of company, the holder of equity share will be entitles to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to the number of equity shares held by the share holders.

Note 16.3 Disclosure of Share Holding of Promoters / Promoter Group

No.	Promoter Name	No of Shares as on 31.03.2022	% of Holdings	% change during the year
1	V Ramakrishna Sons (P) Limited	3,89,56,326	30.22	0.00
2	Velagapudi Lakshmana Indira Dutt	99,69,901	7.73	0.06
3	VRK Grandsons Investments (P) Limited	42,49,193	3.30	0.00
4	Velagapudi Kavitha Dutt	13,60,000	1.05	0.00
5	Shivani Dutt Chitturi	13,50,000	1.05	0.00
6	Velagapudi Lakshmana Dutt (HUF)	1,13,500	0.09	0.00
7	Irmgard Velagapudi	1,52,490	0.12	0.00
8	S. Nalini	1,93,874	0.15	0.14
9	R Prabhu	62,880	0.05	0.00
10	Rajeswary Ramakrishnan	6,500	0.01	0.00
11	Anitha .	4,000	0.00	0.00
12	Kiran Velagapudi	4,220	0.00	0.00
13	Sivaramakrishnan Prasad	12,650	0.01	0.00
14	S Rajiv Rangasami	50,000	0.04	(0.01)
15	P Vikram Ramakrishnan	12,655	0.01	0.00
16	Uma S Vallabhaneni	10,000	0.01	0.00
17	Subbarao Vallabhaneni	1,16,130	0.09	0.00
18	V. Chandra Kumar Prasad	1,000	0.00	0.00

No.	Promoter Name	No of Shares as on 31.03.2021	% of Holdings	% change during the year
1	V Ramakrishna Sons (P) Limited	3,89,56,326	30.22	0.00
2	Velagapudi Lakshmana Indira Dutt	98,87,101	7.67	4.88
3	VRK Grandsons Investment (P) Limited.	42,49,193	3.30	0.00
4	Velagapudi Kavitha Dutt	13,60,000	1.05	0.05
5	Shivani Dutt Chitturi	13,50,000	1.05	0.04
6	Velagapudi Lakshmana Dutt (HUF)	1,13,500	0.09	0.00

(Rs in Lakhs)

No.	Promoter Name	No of Shares as on 31.03.2021	% of Holdings	% change during the year
7	Velagapudi Lakshmana Dutt	0	0.00	(4.67)
8	Irmgard Velagapudi	1,52,490	0.12	0.00
9	S. Nalini	11,250	0.01	0.00
10	R. Prabhu	62,880	0.05	0.00
11	Rajeswary Ramakrishnan	6,500	0.01	0.00
12	Anitha	4,000	0.00	0.00
13	Uma S Vallabhaneni	10,000	0.01	(0.12)
14	Kiran Velagapudi	4,220	0.00	0.00
15	Sivaramakrishnan Prasad	12,650	0.01	0.00
16	S. Rajiv Rangasami	58,327	0.05	(0.24)
17	P Vikram Ramakrishnan	12,655	0.01	0.00
18	Subbarao Vallabhaneni	1,16,130	0.09	0.03
19	The Jeypore Sugar Company Limited	0	0.00	(0.22)

Note 17. Other Equity	As at 31-03-2022	As at 31-03-2021
Capital Reserve		
Capital Redemption Reserve		
Balance as per the last Financial Statements	2,000.00	2,000.00
Add : Amount transferred from Surplus in the Statement of P&L	-	-
Total	2,000.00	2,000.00
Capital Reserve on Reorganisation	279.91	279.91
On Amalgamation	103.83	103.83
Total Capital Reserve	2,383.74	2,383.74
Investment Revaluation Reserve		
Balance as per the last Financial Statements	(4.04)	(10.80)
Add: Current year revaluation gain/loss from OCI	2.00	6.76
Closing Balance	(2.04)	(4.04)
Actuarial Gain/Loss		
Balance as per the last Financial Statements	(813.91)	(907.55)
Add: Current year revaluation gain/loss from OCI- Net of deferred tax	67.88	93.65
Closing Balance	(746.03)	(813.91)
General Reserve		
Balance as per the last Financial Statements	26,763.58	26,763.58
Add/(Less): Ind AS Adjustments	-	-
Closing Balance	26,763.58	26,763.58
Surplus/(Deficit) in the Statement of Profit and Loss		
Balance as per the last Financial Statements	32,320.91	17,182.14
Add/(Less): Adjustments for Lease Rentals INDAS 116	-	-
Profit for the year	12,930.20	15,332.15

Note 17. Other Equity	As at 31-03-2022	As at 31-03-2021
	45,251.10	32,514.29
Less : Deductions	-	-
Final Equity Dividend Paid @ Rs.2 per Share (@ Re 0.15 per Share in FY 2020-21)	2,578.42	193.38
Total Appropriations	2,578.42	193.38
Net Surplus in Statement of Profit and Loss	42,672.68	32,320.91
Total Reserves and Surplus taken to Balance Sheet	71,071.93	60,650.28

- > General Reserve: This is used from time to time to transfer profits from retained earnings for appropriation purposes.
- > Investment Revaluation Reserve: This reserve represents the cumulative gain or loss arising on revaluation of equity instruments measured at fair value through OCI, net of amounts reclassified, if any to retained earnings when those investments are disposed off.
- > Actuarial Gain/Loss Reserve: This reserve represents the cumulative gain or loss on account of remeasurement of defined benefit plans, net of amounts reclassified, if any to retained earnings.
- > Capital Redemption Reserve: This is created on redemption of redeemable preference shares issued. This can be utilised for issuing fully paid bonus shares in accordance with the provisions of Companies Act, 2013.
- > Retained Earnings: This represents the accumulated earnings net of losses if any made by the company over the years. This reserves can be utilised for the payment of dividend and other purposes in accordance with the provisions of the Companies Act, 2013

Note 18. Non current Financial Liabilities- Borrowings	As at 31-03-2022	As at 31-03-2021
(A) Rupee Term Loans from Banks - Secured		
Engineering Unit	-	276.11
Captive Power Plant- Muktyala	-	1,164.59
Cement Plant Muktyala Expansion	11,506.42	16,210.78
Corporate Loan (Capex Reimbursement)	1,480.44	1,822.08
Sub-Total	12,986.86	19,473.56
(B) Other Loans and advances:		
Public Deposits (unsecured)		
From Directors	890.03	1,345.03
From Others	4,012.35	3,957.02
Sub-Total	4,902.38	5,302.05
Total	17,889.24	24,775.61
The above amount includes		
Secured borrowings	12,986.86	19,473.56
Unsecured borrowings	4,902.38	5,302.05
Amount disclosed under the head	-	-
Current maturities of the borrowings shown under "Current Financial Liabilities-Borrowings(Note-23A)"	8,807.25	10,365.18
Details of deposits held by Directors of the company (including Current Maturities disclosed seperately)		
a) Smt. V. Kavitha Dutt	101.53	101.53
b) Dr. V L Indira Dutt	1,913.50	1,433.50

Term Loans

Particulars	Muktyala Cement Expansion	Captive Power Plant	Hotel	Engineering Unit	Capex Reimbursement Loan	Covid Credit Support Scheme Loan
Lending Bank	State Bank of India	Canara Bank	Indian Overseas Bank	Canara Bank	HDFC Bank	Canara Bank
Loan Amount Sanctioned (Rs in Lakhs)	27,563	7964	5973	338	2278	250
Loan Amount Availed (Rs in Lakhs)	27,498	7215	5973	317	2278	250
Loan amount outstanding as on 31-03-2022	16,216	0	0	0	1936	0
No of Installments (Quarterly)	32	32	28	20	20	18
Installments Commencement	Dec,2018	Mar,2015	May,2015	Oct,2019	July,2021	April,2021
Rate of Interest	6M MCLR plus 0.65%	1 Yr MCLR plus 1.30%	1 Yr MCLR plus 1.00%	1 Yr MCLR plus 0.50%	Repo Rate plus 3.00%	1 Yr MCLR plus 0.50%
Installment Amount (Rs in Lakhs)	1175	207.25	314	16.9	113.88	13.88
Security	First Charge on the Project Assets and Charge on Land at Muktyala ranking pari-passu with other lenders.	First Charge on Fixed Assets of Captive Power Plant.	First Charge on Fixed Assets of Hotel.	First Charge on Imported Lathe Machine	Exclusive Charge on Commercial Building at Hyderabad.	Extension of existing primary and collateral security

Note : Initial Loan Processing Charges by State Bank of India are being amortised over the period of the loan. Net amount outstanding at the end of the year to be amortised was Rs. 8.25 lakhs. (Previous Year Rs.16.20 lakhs)

Carrying value of assets Pledged for Term Loan (Rs. in Lakhs)

Particulars	Muktyala Plant Fixed Assets (including Expansion Assets)		Hotel Fixed Assets		Captive Power Plant Assets	
	31-03-2022	31-03-2021	31-03-2022	31-03-2021	31-03-2022	31-03-2021
Plant & Machinery	48,649	51,854	1,851.27	2,156	6,909.54	7,236
Lands & Buildings	8,784	7,981	4,519	4,696	1,279	1,313
Furniture & fixtures	127	89	393	555	4	5
Total	57,560	59,924	6,763	7,407	8,192	8,554

Cash Credit

Particulars	Muktyala		Macherla		CPP	Engineering Unit	
	Bank of Baroda	Canara Bank	Bank of Baroda	HDFC Bank		Canara Bank	Canara Bank
Lending Bank	11	13	9	606	5	434	(171)
Outstanding Amount as on 31.03.2022	0.80% over 1 Yr MCLR plus SP	1 Yr MCLR plus 1.50%	0.80% over 1 Yr MCLR plus SP	7.00%	1 Yr MCLR plus 1.50%	1 Yr MCLR plus 1.50%	3M MCLR plus 0.90%
Rate of Interest on 31.03.2022	Paripassu First Charge on Current Assets of Muktyala Cement Unit		Paripassu First Charge on Current Assets of Macherla Cement Unit		Paripassu First Charge on Current Assets of Captive Powere Plant		Paripassu First Charge on Current Assets of Engineering Unit
Security	Paripassu First Charge on Current Assets of Muktyala Cement Unit		Paripassu First Charge on Current Assets of Macherla Cement Unit		Paripassu First Charge on Current Assets of Captive Powere Plant		Paripassu First Charge on Current Assets of Engineering Unit

Particulars	Working Capital Demand Loan	
	Engineering Unit	
Lending Bank	Canara Bank-Secured	AXIS Bank-Secured
Outstanding Amount as on 31.03.2022	1000	513
Rate of Interest as on 31.03.2022	3M MCLR	3M MCLR plus 0.90%
Security	Paripassu First Charge on Current Assets of Engineering Unit	Unsecured

Additional information:

- The Company is not declared wilful defaulter by any bank.

(Rs in Lakhs)

Note 19. Non current- Trade payables	As at 31-03-2022	As at 31-03-2021
Due to Micro and Small Enterprises	-	-
Due to Others	-	271.26
Total	-	271.26

Non Current Trade Payables for the year 2021-22

Particulars	Outstanding for following periods from due date payment					Total
	Not Due	Less than 1 Years	1 Year - 2 Years	2 Year - 3Years	More than 3 Years	
(i) MSME						
(ii) Others						
(iii) Disputed dues- MSME						
(iv) Disputed dues- Others	-	-	-	-	-	-
Total						-

Non Current Trade Payables for the year 2020-21

Particulars	Outstanding for following periods from due date payment					Total
	Not Due	Less than 1 Years	1 Year - 2 Years	2 Year - 3Years	More than 3 Years	
(i) MSME						
(ii) Others						
(iii) Disputed dues- MSME						
(iv) Disputed dues- Others	0	0	0	0	271.26	271.26
Total						271.26

Note 20. Non current- Other Financial Liabilities	As at 31-03-2022	As at 31-03-2021
Deposits Payable-Contractors	342.40	313.40
Interest accrued but not due	90.75	107.81
Outstanding Liabilities for Expenses	1,088.78	922.57
Total	1,521.93	1,343.77

Note 21. Non current - Provisions	As at 31-03-2022	As at 31-03-2021
Provision for gratuity	-	-
Provision for leave benefits	1,030.75	1,024.05
Provision for Decommissioning expenses	345.07	268.25
Total	1,375.83	1,292.29

Note 22. Deferred Tax Liability (Net)	As at 31-03-2022	As at 31-03-2021
Deferred Tax Liability		
Fixed assets: Difference between Tax depreciation and depreciation/amortisation charged for the financial reporting	14,414.88	14,383.46
Discounting of legal cases	24.67	32.78
Gross Deferred Tax Liability (a)	14,439.55	14,416.24

Note 22. Deferred Tax Liability (Net)	As at 31-03-2022	As at 31-03-2021
Deferred Tax Asset		
MAT Credit	4,575.09	6,270.43
Expected Credit Loss	3.13	3.77
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	762.13	839.51
Discounting of Trade Receivables	22.06	24.94
Provision for decommissioning cost	120.58	93.74
Onerous Contracts	50.04	9.84
Others	90.66	106.48
Gross Deferred tax asset (b)	5,623.68	7,348.70
Net Deferred Tax Liability (a) - (b)	8,815.87	7,067.54

Note.23 Current Financial Liabilities- Borrowings	As at 31-03-2022	As at 31-03-2021
Cash credit from Banks		
: Secured	2,419.49	2,212.47
: Unsecured	2,000.00	-
Current maturities of long term borrowings [Refer Note 23A]	8,807.25	10,365.18
Loan Repayable on Demand (Unsecured)		
:from Directors	1,845.00	1,760.00
Inter-corporate deposit repayable on demand	670.00	270.00
Total	15,741.74	14,607.66
Current Financial liabilities-Borrowings includes the following:		
Secured borrowings	7,575.01	9,372.38
Unsecured borrowings	8,166.73	5,235.28

Note 23A. Current maturities of long term borrowings	As at 31-03-2022	As at 31-03-2021
(A) Rupee Term Loans from Banks - Secured		
Hotel Project	-	841.93
Engineering Unit	-	230.78
Captive Power Plant- Muktyala	-	931.67
Cement Plant Muktyala Expansion	4,700.00	4,700.00
Corporate Loan (Capex Reimbursement)	455.52	455.52
Sub Total	5,155.52	7,159.90
(B) Public Deposits (unsecured)		
From Directors	1,125.00	190.00
From Others	2,526.73	3,015.28
Sub Total	3,651.73	3,205.28
Total	8,807.25	10,365.18

(Rs in Lakhs)

Note.24 Current Financial liabilities- Trade payables	As at 31-03-2022	As at 31-03-2021
Micro and Small Enterprises	245.00	334.03
Others	8,383.34	7,270.82
Total	8,628.34	7,604.85

Current Trade Payables for the year 2021-22

Particulars	Outstanding for following periods from due date payment					Total
	Not Due	Less than 1 Years	1 Year - 2 Years	2 Year - 3 Years	More than 3 Years	
(i) MSME	238.48	6.52	-	-	-	245.00
(ii) Others	5,754.52	2,353.86	42.79	145.57	66.62	8,363.36
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-
Total	-	-	-	-	-	8,608.36
Add: To be billed						19.98
Less: Provision for expected credit loss						-
Total						8,628.34

Current Trade Payables for the year 2020-21

Particulars	Outstanding for following periods from due date payment					Total
	Not Due	Less than 1 Years	1 Year - 2 Years	2 Year - 3 Years	More than 3 Years	
(i) MSME	334.03	-	-	-	-	334.03
(ii) Others	5,810.88	1,105.67	267.30	6.62	66.76	7,257.23
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-
Total	-	-	-	-	-	7,591.25
Add: To be billed						13.59
Less: Provision for expected credit loss						-
Total						7,604.85

Note 25. Current- Other Financial Liabilities	As at 31-03-2022	As at 31-03-2021
Interest Accrued but not due on borrowings	162.31	179.89
Interest Accrued and due on borrowings	181.79	50.30
Advance from customers	7,876.09	5,890.92
Advances from Others	50.02	-
Unpaid Dividend	229.28	196.91
Accrued Salaries and Benefits	1,162.64	1,038.84
Directors Remuneration Payable	918.16	1,096.21
Trade deposits	7,674.23	5,540.11
Project related payables	51.61	167.25
Outstanding Financial Liabilities	968.05	1,136.93
Outstanding Liabilities for Others	826.28	743.93
Total	20,100.46	16,041.28

Note 26. Other Current Liabilities	As at 31-03-2022	As at 31-03-2021
Statutory Dues	3,379.46	3,322.83
Total	3,379.46	3,322.83

Note 27. Current- Provisions	As at 31-03-2022	As at 31-03-2021
Provision for gratuity	307.97	97.95
Provision for leave benefits	456.27	360.12
Total	764.23	458.07

Note 28. Revenue from operations	FY 2021-22	FY 2020-21
Revenue from operations		
Sale of products	1,56,044.37	1,28,212.42
Sale of services	2,075.76	1,048.48
	1,58,120.14	1,29,260.90
Other operating revenue		
Scrap sales	88.11	33.45
Sale of Raw material	16.21	-
Other revenue	1.13	7.53
Interest Income on		
- Bank deposits	64.21	120.17
- Others	59.99	33.53
Amortisation of government Grant (VAT Incentive)	1.99	1.99
Insurance Claims Received	84.43	30.00
Revenue from operations (Gross)	1,58,436.20	1,29,487.57

Disaggregation of revenue information as per INDAS 115

Particulars	FY 2021-22	FY 2020-21
Revenue from Sale of goods	1,55,952.04	1,28,090.08
Revenue from Power	92.33	122.34
Revenue from Engineering Job works	717.18	482.39
Revenue from Hospitality services	1,358.58	566.09
Total	1,58,120.14	1,29,260.90

Revenue from Contract with Customer as per disclosure requirements under para 126AA of INDAS-115:

Particulars	FY 2021-22	FY 2020-21
Revenue from contracts with customers (excl GST)	1,94,363.68	1,51,141.01
Less:		
Discounts	35,580.72	21,420.28
Selling Agent commission	345.19	226.15
Sales Promotion	317.64	233.69
Gross sales as per Profit and loss account	1,58,120.14	1,29,260.90

Disclosure requirements under IND AS 115 para 116 in respect of Engineering Job works

Particulars	31.03.2022	31.03.2021
Opening balance of Trade Receivables	3,759.93	2,946.18
Opening balance of Contract assets	456.45	92.55
Opening balance of Contract liabilities	1,178.47	2,128.85
Revenue recognized in the reporting period that was included in the contract liabilities balance at the beginning of the period	736.49	1,358.94
Revenue recognized in the reporting period from performance obligations satisfied in the previous period	-	-
Closing balance of receivables	3,454.66	3,759.93
Closing balance of contract assets	1,171.31	456.45
Closing balance of contract liabilities	2,617.32	1,178.47

Note 29. Other Income	FY 2021-22	FY 2020-21
Interest Income on Investments	913.08	362.60
Dividend income on		
Investment in subsidiary - KCP Vietnam Industries Ltd., Vietnam	4,472.79	3,028.00
Investment in joint venture - Fives Cail KCP Ltd.,	-	20.00
Non current investments	0.75	0.40
Net gain on sale of Assets	23.29	-
Scrap Sales	144.84	287.12
Other non-operating income (See note below)	860.94	513.42
Total	6,415.68	4,211.53

Other Non-Operating Income	FY 2021-22	FY 2020-21
Provision no longer required, credited back	587.16	330.73
Reversal of Loss Allowance	1.83	-
Reversal of Provision for Discounting of Trade Receivables	8.26	9.57
Rent Recovery	125.94	123.67
Difference In Exchange-(Net)	85.43	0.75
Fair Value Gain on FVTPL investments	0.52	0.00
Miscellaneous Receipts	51.79	48.70
Total	860.94	543.42

Note 30. Cost of raw material and components consumed	FY 2021-22	FY 2020-21
Inventory at the beginning of the year	580.49	902.87
Add: Purchases	12,404.56	7,073.00
Add: Cost of raw materials produced	19,057.59	15,499.19
	32,042.64	23,475.06
Less: Inventory at the end of the year	1,111.87	580.49
Cost of raw material and components consumed	30,930.78	22,894.57

Details of raw material and components consumed	FY 2021-22	FY 2020-21
i) Cement Unit		
Limestone	19,064.96	15,719.54
Laterite	1,510.39	1,099.41
Fly Ash	2,748.04	1,975.74
Gypsum	3,286.87	2,193.84
OPC Cement (Frieght inernal transfer)	167.73	-
BF Slag/Others	15.99	-
Sub total	26,793.97	20,988.53
ii) Engineering Unit		
Iron and Steel, Nickel, Scrap and Equipments	3,975.21	1,831.38
iii) Bricks Unit / Others		
Sand, Stoner Dust, Metal / Admixture Stock and Others	19.35	11.39
iv) Hotel		
Provisions	142.24	63.26
Total	30,930.78	22,894.57

(Rs in Lakhs)

Details of Inventory	FY 2021-22	FY 2020-21
Raw materials and components		
Limestone	319.13	307.11
Laterite	165.33	82.55
Fly Ash	32.00	14.50
Gypsum	517.36	170.40
OPC Cement [Freight on Internal Transfer]	42.52	-
BF Slag	-	1.40
Iron and Steel, Nickel, Scrap and Equipments	33.71	1.54
Others	1.83	2.99
Total	1,111.87	580.48

Note 31. (Increase) / Decrease in Inventory

Particulars	FY 2021-22	FY 2020-21
Inventories at the end of the year		
Work in progress	8,096.29	5,081.68
Finished goods	1,410.57	463.38
Sub Total	9,506.85	5,545.07
Inventories at the beginning of the year		
Work in progress	5,081.68	7,910.93
Finished goods	463.38	1,685.16
Sub Total	5,545.07	9,596.08
(Increase)/ Decrease	(3,961.79)	4,051.01

Note 32) Employee benefits expense	FY 2021-22	FY 2020-21
Salaries, Wages and bonus	8,060.58	8,135.09
Contribution to Provident and other funds	663.79	432.51
Gratuity expenses	509.92	126.31
Staff welfare expenses	786.78	587.09
Total	10,021.07	9,281.00

* Employee Benefit Expense for the year 2021-22 includes an amount of Rs.382.54 Lakhs being the past service cost arising out of restructuring of Salary in accordance with The New Wage Code.

Note 33) Finance Costs	FY 2021-22	FY 2020-21
Interest	2,984.98	4,091.31
Other Borrowing costs	89.56	102.75
Unwinding of Finance Cost	83.48	47.44
Total	3,158.03	4,241.50

Note 33A. Depreciation and amortization expense	FY 2021-22	FY 2020-21
Depreciation of tangible assets	6,468.90	6,895.03
Amortization of intangible assets	48.34	47.12
Total	6,517.24	6,942.15

Note 34. Other expenses	FY 2021-22	FY 2020-21
Consumption of stores and spares	8,572.76	5,729.84
Consumption of loose tools	210.72	100.79
Sub-contracting expenses	2,139.07	1,266.43
Insurance	305.85	284.25
Rent	139.98	87.38
Rates and taxes	577.17	494.62
Repairs and maintenance :		
Plant&Machinery	1,058.88	662.44
Buildings	341.85	259.17
Other Assets	220.82	197.52
Wheeling/Banking Charges	248.72	768.24
Advertising and sales promotion	674.00	486.99
Sales commission	28.65	5.38
Travelling and conveyance	149.44	90.46
Communication costs	69.22	63.88
Printing & Stationery	52.14	37.89
Donations	76.00	101.32
Corporate Social Responsibility (Refer Note No.51)	127.67	64.72
Professional, Consultancy and Legal fees	760.30	560.16
Directors' sitting fees	25.40	23.80
Payment to auditors (Refer details below)	40.81	36.52
Bad debts/advances written off	63.28	4.76
Bank Charges	61.34	48.60
Assets Written Off	72.00	142.59
Loss on sale of fixed assets (net)	-	0.13
Performance and Delivery Guarantee Claims	391.13	68.82
Provision for doubtful debts and advances	5.10	24.86
Expected Credit Loss	-	5.18
Security Charges	497.05	478.27
Miscellaneous expenses	849.13	657.66
TOTAL	17,758.46	12,752.69

(Rs in Lakhs)

Payment to Auditors	FY 2021-22	FY 2020-21
As Auditor:		
Audit Fee	20.00	18.00
Certification & Other fees	9.47	9.49
Fees for Cost Auditor	10.20	8.60
Reimbursement of expenses	1.14	0.43
Total	40.81	36.52

Note 35. Income Tax Reconciliation**The major components of income tax expense for the years ended 31-03-2022**

Income tax expense:-	FY 2021-22	FY 2020-21
Current tax (Including MAT Credit Utilisation of Rs. 1,822.98 Lakhs)	5,050.00	3,812.00
Deferred tax	16.53	4,324.50
MAT credit Utilised/ (Entitlement)	-	(1,793.13)
Short /(Excess) provision of Income Tax/MAT	211.30	-
Total tax expense for the year	5,277.83	6,343.37

Effective Tax reconciliation

Particulars	FY 2021-22	FY 2020-21
(a) Net Profit / (Loss) before taxes	18,208.03	21,675.52
(b) Corporate Tax as per Income Tax Act, 1961	34.94%	34.94%
(c) Tax on Accounting Profit (c) = (a)*(b)	6,362.61	7,574.29
(d) Increase/Decrease in tax expense on account of:-		
(i) Non taxable income/Exempt income	-	-
(ii) Reduction in Depreciation/ (Accelerated Depreciation)	80.74	21.80
(iii) Expenses not allowed under Income Tax	113.12	(10.92)
(iv) Expenses that are allowed under payment basis	12.66	128.39
(v) Expected Credit Loss as per Ind AS	-	1.81
(vi) Amortisation of Government Grant as per Ind AS	(0.70)	(0.70)
(vii) Finance Cost as per Ind AS	24.00	(43.14)
(viii) Stripping Cost Capitalised as per Ind AS	(109.32)	(73.47)
(ix) Deduction under Sec 80-IA	(223.33)	(262.01)
(x) Deduction under Sec 80M	(450.50)	(518.08)
(xi) Foreign dividend taxable at special rates	(781.49)	(529.05)

Particulars	FY 2021-22	FY 2020-21
(xii) Utilisation of brought forward business losses	-	(4,303.74)
(xiii) Adjustment for current tax of previous periods	211.30	-
(xiv) Other adjustments	22.20	33.69
Tax Expense recognised in Statement of P & L	5,261.30	2,018.87
(e) Tax as per Normal Provision under Income Tax	5,261.30	2,018.87
(f) Tax rate applicable to the company as per MAT Provisions	17.47%	17.47%
(g) MAT Tax expense on Net Profits	3,181.31	3,787.15
(h) Increase/Decrease in tax expense on account of:-		
(i) Items that will not be reclassified to Profit & Loss	18.23	25.15
(ii) Exempt Income u/s 10(34)	-	-
(iii) 1/5th of transition amount u/s 115JB(2C)	(34.71)	(34.71)
(iv) Expected Credit Loss	-	0.90
(v) Expenses that are not allowed as per Section 115JB	20.99	(9.45)
(vi) Other adjustments	41.20	42.96
MAT tax provision under 115JB (g+h)	3,227.02	3,812.00
MAT credit entitlement utilised during the year	1,822.98	-

Deferred Taxes:-

Particulars	FY 2021-22	FY 2020-21
As on reporting date		
Deferred tax arising due to		
a) On OCI component		
-Actuarial Gain/Loss	36.46	50.30
b) Other than OCI component		
-Difference in W.D.V of Property Plant & Equipment	31.42	61.17
-Impact of expenditure allowed under Income tax on payment basis	40.92	(145.26)
-Discounting of trade receivables	2.89	3.34
-Provision for Loss allowance	0.64	(1.81)
-Discounting of Legal cases	(8.11)	7.83
-Provision for Decommissioning cost	(26.85)	64.85
-Unabsorbed depreciation and business losses	-	4,313.96
-Other disallowances	(24.38)	20.41
c) Total for the year	52.99	4,374.80
Expense/(income) recognised for the year ended:		
Deferred tax liability/(asset) recognised in statement of profit and loss	16.53	4,324.50
Deferred tax recognised in other comprehensive income	36.46	50.30
Deferred tax recognised in Total comprehensive income	52.99	4,374.80

Details of Deferred tax liability/ (asset) arised during FY 2021-22:-

(Rs in Lakhs)

No.	Particulars	Opening Balance	Recognised in Statement of Profit and loss	Recognised in other comprehensive income	MAT Credit Utilised	Closing Balance
	Temporarily Timing difference arised in relation to					
1)	Fixed Assets					
	- Depreciation charged as per income tax act and Companies Act	14,383.46	31.42	-	-	14,414.88
	- Decommissioning Cost- Mines	-	-	-	-	-
2)	Bank Processing Charges	-	-	-	-	-
	- Amortization	-	-	-	-	-
3)	Discounting of Legal Cases	32.78	(8.11)	-	-	24.67
4)	Expenditure charged to Statement of profit and loss in the current year but allowed for tax purpose on payment basis	(839.51)	113.84	(36.46)	-	(762.13)
5)	Provision for Doubtful debts	(24.94)	2.89	-	-	(22.06)
6)	Deferred Tax Asset on Expected credit loss	(3.77)	0.64	-	-	(3.13)
7)	Provision for Decommissioning Cost	(93.74)	(26.85)	-	-	(120.58)
8)	MAT Credit	(6,270.43)	-	-	1,695.34	(4,575.09)
9)	Unabsorbed Losses	-	-	-	-	-
10)	Onerous Contract	(9.84)	(40.20)	-	-	(50.04)
11)	Others	(106.48)	15.82	-	-	(90.66)
	Total	7,067.54	89.45	(36.46)	1,695.34	8,815.87

Note 36. Other Comprehensive Income

Particulars	Current Year 2021-22	Previous Year 2020-21
a) Items that will not be reclassified to P&L		
- Remeasurement of Defined Benefit Plan (Loss)/Gain		
Gratuity	219.95	87.01
Leave Encashment	(115.61)	56.93
- Increase/Decrease in Fair Value of Investments	2.00	6.76
b) Items that will be reclassified subsequently to Profit or loss	-	-
c) Impact of income tax on above (a) and (b)	(36.46)	(50.30)
Total - Other Comprehensive Income	69.88	100.41

Statement of additions, write off and payments closing as per IND AS 37 Para 84

(Rs in Lakhs)

S.No	Provisions	Leave Benefits	Gratuity	Income Tax	Decommissioning
1	Balance as at 1st April, 2021	1,384.17	97.95	4,312.84	268.25
2	Provision recognised during the year				
	- In Statement of Profit & Loss	229.73	510.77	5,050.00	76.83
	- In Statement of Other Comprehensive Income	115.61	(219.95)	-	-
3	Amounts incurred and charged against the provision	(242.49)	(80.80)	(3,805.91)	-
4	Balance as at 31st March, 2022	1,487.02	307.97	5,556.93	345.07

The Company provides for the expenses at fair value that are required to restore the mines based on the estimated mineral reserves available and is included in cost of material consumed. The unwinding of discount on provision is shown as finance costs in the statement of profit and loss. It is expected to be settled in 2026-27 for Muktyala mining lands, 2022-23 for terala mines, 2025-26 for macherla mines and 2021-22 for mandadi mines.

Note 37. CONTINGENT LIABILITIES		As at 31st March, 2022	As at 31st March, 2021
A	Claims against the company not acknowledged as debt		
	A.1) In respect of Statutory levies	6,527.00	2,452.62
	A.2) In respect of Contractual levies	30.47	13.41
	A.3) In respect of Others	430.93	591.42
B	Guarantees issued by the Bankers on behalf of the Company		
	B.1) Against Advances obtained	1,793.04	2,467.79
	B.2) Towards Performance Guarantees	4,118.79	2,782.04

Note 38. COMMITMENTS		As at 31st March, 2022	As at 31st March, 2021
A	Estimated amount of contracts remaining to be executed on capital account and not provided for	11.41	1,349.53
B	Uncalled liability pertaining to Investments	-	-
C	Other commitments - Sale contracts	17,385.38	10,261.58
	- Export Obligation under EPCG Scheme	179.78	179.78

Note 39. VALUE OF IMPORTS ON CIF BASIS		As at 31st March, 2022	As at 31st March, 2021
	a) Raw Materials and Stock-in-Trade	-	-
	b) Components ,Spares parts , Consumables & Coal	3,720.62	5,977.66
	c) Tools	0.61	1.97
	d) Capital goods	-	-
		3,721.23	5,979.63

(Rs in Lakhs)

Note 40. Comparison between Consumption of imported and indigenous raw materials, spare parts and components during the financial year:	FY 2021-22		FY 2020-21	
	Rs	%	Rs.	%
a Raw materials				
(i) Imported	3,292.03	10.64%	9.13	0.04%
(ii) Indigenous	27,638.74	89.36%	22,885.44	99.96%
	30,930.78	100.00%	22,894.57	100.00%
b Components ,Spare parts , Consumables & Coal (debited to respective heads)				
(i) Imported	31,975.97	59.58%	18,075.90	55.80%
(ii) Indigenous	21,689.76	40.42%	14,317.83	44.20%
	53,665.73	100.00%	32,393.74	100.00%

Note 41. EXPENDITURE IN FOREIGN CURRENCY	FY 2021-22	FY 2020-21
a) Travelling expenses	-	0.56
b) Other matters- Seminars, advance to suppliers etc	21.13	4.58
	21.13	5.14

Note 42. EARNINGS IN FOREIGN EXCHANGE	FY 2021-22	FY 2020-21
a) F.O.B value of goods exported during the year	410.03	182.89
c) Revenue from services	63.84	31.23
d) Dividend from Investments	4,472.79	3,028.00
	4,946.66	3,242.13

Note 43. REMITTANCE IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDEND	FY 2021-22	FY 2020-21
a) Number of Non Resident Shareholders	504	435
b) Number of Equity Shares held by them	54,98,767	44,97,204
c) (1) Amount of Dividend Paid (Gross) (in Foreign Currency)	Nil	Nil
(2) Tax Deducted at Source	Nil	Nil
(3) Year to which dividend relates	Nil	Nil
Note: Dividend remitted to Non-resident shareholders in Indian currency.		

Note 44 REVENUE EXPENDITURE CAPITALISED DURING THE YEAR	FY 2021-22	FY 2020-21
a) Opening unallocated capital expenditure	152.01	32.58
Add:		
Salaries,wages, Bonus, PF & FPS	20.30	27.85
Contribution to provident fund and Family Pension Scheme	1.87	1.35
Staff welfare Expenses	2.91	1.02

Note 44 REVENUE EXPENDITURE CAPITALISED DURING THE YEAR	FY 2021-22	FY 2020-21
Stores and Spares Consumed	8.53	4.92
Power	24.21	11.69
Insurance	0.13	0.46
Repairs to Building	9.21	4.65
Repairs to Machinery	0.34	0.02
Repairs to Other Assets	1.34	4.59
Gratuity Expenses	0.74	0.27
Professional Fees	54.29	68.28
Travelling Expenses	1.26	0.63
Security Charges	14.16	19.95
Rates & taxes	2.21	1.10
Depreciation	1.67	0.56
Miscellaneous expenses	10.15	5.71
	305.31	185.63
Less:		
Miscellaneous Income	0.72	1.03
	304.59	184.60
Less:		
Capitalised/Allocated to fixed assets	304.59	32.58
Closing unallocated Capital Expenditure	-	152.01

Note 45. REVENUE FROM OPERATIONS	FY 2021-22	FY 2020-21
Finished goods sold		
Cement	1,48,295.52	1,19,660.93
Heavy Engineering products	7,519.79	8,342.65
Electrical energy	92.33	122.34
Service Receipts	2,075.76	1,048.48
Others	452.80	313.18
	1,58,436.20	1,29,487.57

Note 46. EARNINGS PER SHARE (EPS)	FY 2021-22	FY 2020-21
i) Net Profit after tax as per Profit and Loss Statement	12,930.20	15,332.15
ii) Net Profit attributable to Equity Shareholders	12,930.20	15,332.15
iii) Weighted Average number of equity shares used as denominator for calculating EPS	12,89,21,160	12,89,21,160
iv) Basic and Diluted Earnings per share	10.03	11.89
v) Nominal value per each Equity share	1.00	1.00

Note 47. Disclosures required by Indian Accounting Standard 19- Employee Benefits	FY 2021-22		FY 2020-21	
	Gratuity	Leave Absentees	Gratuity	Leave Absentees
a) Reconciliation for present value of obligations				
Present value of obligations as at beginning of the year	1,695.63	1,384.16	1,678.97	1,432.74
Interest cost	109.63	86.38	108.83	87.53
Current service cost	124.30	143.34	114.84	185.62
Past service cost	382.54	-	-	-
Benefits paid	(185.72)	(242.49)	(123.89)	(264.41)
Actuarial loss/(gain) on obligation	(213.67)	115.62	(83.12)	(57.32)
Present value of obligations as at end of the year	1,912.71	1,487.01	1,695.63	1,384.16
b) Reconciliation for fair value of plan assets				
Fair Value Of Plan Assets At The Beginning of The Year	1,597.67	-	1,393.60	-
Expected Return On Plan Assets	105.69	-	97.25	-
Contributions	80.80	242.49	226.59	264.41
Benefits Paid	(185.72)	(242.49)	(123.89)	(264.41)
Actuarial Gain On Plan Assets	6.28	-	4.12	-
Fair Value Of Plan Assets At The End of The Year	1,604.72	-	1,597.67	-
c) Net Liability recognised in the Balance Sheet				
Present value of obligations as at the end of the year	1,912.71	1,487.01	1,695.63	1,384.16
Fair value of plan Assets as at the end of the year	1,604.72	-	1,597.67	-
Amount determined under para 63 of IND AS 19	307.99	1,487.01	97.96	1,384.16
Net defined benefit liability recognised in the Balance sheet	307.99	1,487.01	97.96	1,384.16
Net Defined benefit asset recognised under para 64 of IND AS 19	-	-	-	-
d) Expenses recognised in statement of Profit & Loss				
Current service cost	124.30	143.34	114.84	185.62
Net interest on net Defined benefit obligations	3.94	-	11.58	-
Interest cost	-	86.38	-	87.53
Net actuarial (gain)/loss recognised in the year	-	-	-	-
Past service Cost	382.54	-	-	-
Expense to be recognised in the Profit & Loss a/c	510.78	229.73	126.42	273.15

Note 47. Disclosures required by Indian Accounting Standard 19- Employee Benefits	FY 2021-22		FY 2020-21	
	Gratuity	Leave Absentees	Gratuity	Leave Absentees
e) Amount recognised in the statement of OCI				
Actuarial (gain)/loss on Plan obligation	(213.67)	115.62	(83.12)	(57.32)
Difference between Actual Return and Interest Income on Plan Assets- (gain)/loss	(6.28)	-	(4.12)	-
Effect of Balance Sheet asset limit	-	-	-	-
Amount recognized in OCI for the current period	(219.95)	115.62	(87.24)	(57.32)
f) Actuarial Assumptions				
Assumptions as at 31 March, 2022				
Discount rate	7.31%	7.31%	6.84%	6.84%
Salary escalation	6.00%	6.00%	6.00%	6.00%
Attrition rate	4.00%	4.00%	4.00%	4.00%
Expected return on Plan Assets	7.31%	0.00%	6.84%	0.00%
Mortality	IALM (2012-14)		IALM (2012-14)	
g) Date of Valuation	31-Mar-22	31-Mar-22	31-Mar-21	31-Mar-21
h) Average Duration of Defined Benefit Obligation (in Yrs)	5.88	5.11	8.31	5.25

i) Sensitivity Analysis

Discount Rate, Salary Escalation Rate and Withdrawal Rate are significant actuarial assumptions. The change in the Present Value of Defined Benefit Obligation for a change of 100 Basis Points from the assumed assumption is given below:

Sensitivity Analysis- Gratuity	FY 2021-22		FY 2020-21	
	Defined Benefit Obligation [DBO]	Percentage Change	Defined Benefit Obligation [DBO]	Percentage Change
Under Base Scenario- Defined Benefit Obligation	1,912.70	0.00%	1,695.63	0.00%
Salary Escalation- up by 1%	2,023.98	5.80%	1,796.28	5.90%
Salary Escalation- down by 1%	1,811.19	(5.30%)	1,603.96	(5.40%)
Withdrawal rates- up by 1%	1,917.17	0.30%	1,698.11	0.10%
Withdrawal rates- down by 1%	1,906.82	(0.30%)	1,692.83	(0.20%)
Discount rates- up by 1%	1,825.00	(4.60%)	1,615.78	(4.70%)
Discount rates- down by 1%	2,010.68	5.10%	1,785.00	5.30%

(Rs in Lakhs)

Sensitivity Analysis- Leave Benefits	FY 2021-22		FY 2020-21	
	Defined Benefit Obligation [DBO]	Percentage Change	Defined Benefit Obligation [DBO]	Percentage Change
Under Base Scenario- Defined Benefit Obligation	1,487.02	0.00%	1,384.17	0.00%
Salary Escalation- up by 1%	1,545.50	3.90%	1,440.99	4.10%
Salary Escalation- down by 1%	1,431.90	(3.70%)	1,330.71	(3.90%)
Withdrawal rates- up by 1%	1,489.22	0.10%	1,385.52	0.10%
Withdrawal rates- down by 1%	1,484.66	(0.20%)	1,382.71	(0.10%)
Discount rates- up by 1%	1,442.10	(3.00%)	1,339.81	(3.20%)
Discount rates- down by 1%	1,535.64	3.30%	1,432.25	3.50%

The sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in the market conditions at the accounting date.

Expected Cash flows for following years:	FY 2021-22		FY 2020-21	
	Gratuity	Leave Absentees	Gratuity	Leave Absentees
Year 1	500.96	456.27	402.06	360.12
Year 2	191.05	257.28	227.91	279.61
Year 3	181.07	202.07	153.45	200.36
Year 4	193.48	182.40	146.94	162.45
Year 5	225.64	196.42	156.15	144.23
Year 6	158.63	115.15	171.39	150.22
Year 7	157.35	99.30	128.84	87.85
Year 8	246.70	94.01	130.80	77.50
Year 9	139.52	70.29	215.39	70.24
Year 10	101.16	57.91	115.31	54.43

48 RELATED PARTY DISCLOSURE

(as per separate annexure-I enclosed)

49 A DERIVATIVE INSTRUMENT FOR HEDGING PURPOSE

The company has entered into the following Derivative instruments for Hedging purpose associated with foreign currency fluctuations related to certain firm commitments and is not intended for trading or speculation. The period end foreign exchange exposures that have been hedged by a derivative instrument are stated below.

Currency	2021-22		2020-21	
	Amount \$	Indian Rupees Equivalent	Amount \$	Indian Rupees Equivalent
USD	-	-	-	-

B. Foreign Currency Exposure not hedged by forward contracts

(Rs in Lakhs)

Particulars	FY 2021-22	FY 2020-21
(i) Export Receivables	81.36	29.53
(ii) Import Creditors Payables	-	-

Note 50. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES (MSMED ACT,2006)

	Particulars	FY 2021-22	FY 2020-21
a	The amounts remaining unpaid to Micro, Small and Medium Enterprises at the end of each accounting year		
	- Principal amount of bills to be paid	245.00	334.03
	- Interest due thereon	-	-
b	The amount of interest paid by the buyer in terms of Section 6 of the MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
c	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act,2006	-	-
d	The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
e	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006.	-	-
	Note: For the purpose of the above details, of the status of the supplier's under the Act has been determined, to the extent of and based on information furnished by the respective parties and has accordingly, been relied upon by the company and its auditors.		

Note 51. CORPORATE SOCIAL RESPONSIBILITY (CSR)

As per section 135 of the Companies Act 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on Corporate Social Responsibility (CSR) activities. A CSR committee has been formed by the company as per the Act. The areas of CSR activities are education, health care, women empowerment and rural development. The funds were utilised through the year on these activities which are specified in Schedule VII of the Companies Act, 2013 :		
---	--	--

Note 51. CORPORATE SOCIAL RESPONSIBILITY (CSR)			
(i)	Amount required to be spent by the company during the year	72.90	39.31
(ii)	Amount of expenditure incurred	127.67	64.72
(iii)	Shortfall at the end of the year	-	-
(iv)	Total of previous years shortfall	-	-
(v)	Reason for shortfall	-	-
(vi)	Nature of CSR activities	Education, Health Care, Women Empowerment and Rural Development	
(vii)	Details of related party transactions - Contribution to a trust controlled by the company in relation to CSR expenditure		
	V Ramakrishna Charitable Trust	68.36	10.64
	Kids Academy of General and Technical Education, Macherla	13.52	15.52
(viii)	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	NIL	NIL

Note 52. PROVISION FOR ONEROUS CONTRACTS- IND AS 37			
As per section 143(3)(j) of the Companies Act, 2013 and rule 11 of the Companies (Audit & Auditors) Rules, 2014, the Company estimated material foreseeable loses on long term contracts at its Engineering Unit and made provision.		143.19	28.15

Note 53. PROPOSED DIVIDEND

In respect of the year ended March 31, 2022 the Directors proposed a dividend of Re.1/- per share on equity share of Re.1/- each. This equity dividend is subject to approval by shareholders at the Annual General meeting. The Proposed Equity Dividend payable to all holders of fully paid equity shares and the total estimated equity dividend to be paid is Rs.1289.21 lakhs excluding Dividend Distribution Tax.

54. Relationship with Struck Off Companies :

Name of struck-off company	Nature of transaction with struck-off company	Balance outstanding (Rs. in Lakhs)	Relationship with the struck-off company, if any
No transaction with struck-off company			

Note 55. Details on Statements of Current Assets submitted to the Banks:

The Company is to submit the monthly statements on Stock and Debtors positions to the Bankers. During the current year, Debtors balance were submitted to the Bank considering the balances upto 120 days instead of 90 days as per the margin requirement mentioned in the sanction letter from the said banker. The discrepancy is for an amount of Rs. 1,323.15 Lakhs and Rs. 19.43 lakhs for June 2021 and September 2021 months respectively. The Company had utilised only 22% of the drawing power of the said loan during the current financial year.

In another instance, there is a variance in ageing analysis submitted to the two different bankers, which is on account of considering the debtors balances into different ageing groups. The said variance is to the extent of Rs. 78.47 lakhs.

Note 56. Registration/Satisfaction of Charges:

The charges detailed in the table given below, are appearing in INDEX of Charges in Ministry of Corporate Affairs (MCA) website. These were already satisfied and relevant forms were filed with the Registrar of Companies.

The company represented before the Registrar of Companies for rectification/correction of the Index of Charges in MCA website.

The company is in the process of filing Form CHG 8 with the Registrar of Companies with prior approval of the Board of Directors.

SRN	Charge ID/Charge Holder	Date of Creation	Amount (Rs.) in Lakhs	Address of the Charge holder
Y10425237	90302310/ SUNDARAM FINANCE LTD	11-08-2004	5.05	No.21 Patullos Road Chennai 600021
Y10427869	90304942/ IDBI	24-07-1995	2,030	Chennai
Y10423106	90300179/ ICICI	30-07-1992	860	Bank of Baroda Building, 16, Sansad Marg New Delhi 110001
Y10421761	90298834/ Canara Bank	28/10/1968, Modified on 06/07/2002	65	Mount Road Branch, 781-785, Anna Salai, Chennai 600002

Note 57. Compliance with number of layers of companies :

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on Number of Layers) Rules, 2017.

Note 58. Accounting Ratios

	Ratio	Numerator/ Denominator	Ratio FY 2021-22	Ratio FY 2020-21	Change	Reasons for change by more than 25%
(a)	Current Ratio	Current Assets/ Current Liabilities	1.15	1.04	11%	
(b)	Debt-Equity Ratio	Borrowing (Non-Current & Current)/ Networth	0.46	0.64	(27%)	Favourable Change : Reduction in Term Loan Outstandings from Internal Generations.

	Ratio	Numerator/ Denominator	Ratio FY 2021-22	Ratio FY 2020-21	Change	Reasons for change by more than 25%
(c)	Debt Service Coverage Ratio	[Borrowing (Non-Current & Current) + Interest on Borrowings] / Profit before Interest , depreciation and taxes (EBIDTA)	2.33	2.25	4%	
(d)	Return on Equity Ratio	Net Profit after Tax / Equity	17.87%	24.75%	(28%)	Unfavourable Change : Cement Margins were under pressure due to steep increase in coal and diesel costs leading to higher cost of production.
(e)	Inventory Turnover Ratio	Cost of Goods Sold /Average Inventory	7.12	6.12	16%	
(f)	Trade Receivables Turnover Ratio	Sales / Average trade receivables	25.04	22.04	14%	
(g)	Trade Payable Turnover Ratio	Purchases/ Average trade payables	4.60	2.74	68%	Favourable Change : Purchase of large value of coal without credit period resulted in over better average ratio.
(h)	Net Capital Turnover Ratio	Sales / (Current Assets minus Current Liabilities)	21.23	73.75	(71%)	Unfavourable Change : Higher Working Capital had to be blocked for purchase of Coal considering the global coal price movements.

	Ratio	Numerator/ Denominator	Ratio FY 2021-22	Ratio FY 2020-21	Change	Reasons for change by more than 25%
(i)	Net Profit Ratio	Net Profit after Tax/ Total Revenue	8.18%	11.86%	(31%)	Unfavourable Change : Cement Margins were under pressure due to steep increase in coal and diesel costs leading to higher cost of production.
(j)	Return on Capital Employed	Profit befor ineterst & tax(EBIT) / Total Assets minus current Liabilities	20.73%	26.57%	(22%)	
(k)	Retun Investment on	Net Profit after Tax/ Net Worth	15.76%	20.13%	(22%)	

Note 59. Financial instruments - Fair values and risk management

(as per separate annexure-II enclosed)

Note 60. Figures in brackets indicate those for the previous year.

Figures for the previous have been regrouped, wherever necessary to make them comparable.

(FOR AND ON BEHALF OF THE BOARD)

Dr. V.L. INDIRA DUTT
Chairperson & Managing Director
DIN: 00139883

V. KAVITHA DUTT
Joint Managing Director
DIN: 00139274

G N MURTY
Chief Financial Officer

Y VIJAYAKUMAR
Company Secretary
ACS: 16353

As per our report annexed

for **K.S.RAO & CO**
Chartered Accountants
Firm Regn No. 003109S

P GOVARDHANA REDDY
Partner
ICAI Mem No: 029193

Place: Chennai
Date : May 18, 2022

Annexure - I To Standalone Notes-Related Party Disclosure

Refer Note No 48. Related party Disclosure

A. List of Related parties:

Subsidiary Company	KCP Vietnam Industries Limited
Joint Venture Company	Fives Cail KCP Limited
Key Management Personnel	Dr. V.L. Indira Dutt - Chairperson & Managing Director Smt. V Kavitha Dutt - Joint Managing Director Sri. G.N.Murty - Chief Financial Officer Sri. Y. Vijaya Kumar - Company Secretary
Other Related Personnel	Sri V.H. Ramakrishnan- Independent Director Sri P.S Kumar- Independent Director Sri Vijay Sankar- Independent Director Sri Narasimhappa Muttuluri- Independent Director Smt. Janaki Pillai - Independent Director Sri V. Chandra Kumar Prasad - Non-Executive Non-Independent Director Dr. Subbarao Vallabhaneni - Non-Executive Non-Independent Director Sri. Ravi Chitturi - Non-Executive Non-Independent Director
Relatives of Key Management Personnel (KMP)	Dr. V.L. Indira Dutt - Chairman Sri V.Chandra Kumar - Brother Smt. Uma Vallabhaneni - Sister Smt. V. Rama Kumari - Sister Dr. Subbarao Vallabhaneni - Brother-in-law Smt. V Kavitha Dutt - Kum.Shivani Dutt Chitturi - Daughter Sri Ravi Chitturi - Husband
Companies controlled by Key management Personnel/Relatives	KCP Technologies Limited V. Ramakrishna Sons Pvt Limited BGE Engineering (India) Private Limited VRK Grandsons Investment (Private) Limited V Ramakrishna Charitable Trust Sri Chandramoulieswara Nursing Home Trust Bala Tripurasundari Ammavaru Trust Kids Academy of General and Technical Education, Macherla Sri V Ramakrishna Higher Secondary School

B. Transactions with the related parties:

(Rs in Lakhs)

	Subsidiary Company	Joint Venture	KMP	Related parties other relations	Companies Controlled by KMP
Sale of Goods					
Fives Cail KCP Limited		278.25			
		-			
V. Ramakrishna Charitable Trust					1.70
					-
Services -Rendered					
Fives Cail KCP Limited		455.81			
		(104.25)			
V. Ramakrishna Charitable Trust					0.13
					(0.13)
Divdend Income					
KCP Vietnam Industries Limited	4,472.79				
	(3,028.00)				
Fives Cail KCP Limited		-			
		(20.00)			
BGE Global Inc.					-
					-
Loans/Deposits received					
Dr V L Indira Dutt			895.00		
			(408.50)		
Smt. V Kavitha Dutt			90.00		
			(11.53)		
V. Ramakrishna Sons Pvt Limited					
VL Dutt (HUF)				50.00	
				(650.00)	
Kum.Shivani Dutt Chitturi				58.00	
				(252.00)	
Sri.V.Chandra Kumar				-	
				(0.96)	

	Subsidiary Company	Joint Venture	KMP	Related parties other relations	Companies Controlled by KMP
Purchase of Goods					
Fives Cail KCP Limited		-			
		-			
Remuneration paid					
Dr V L Indira Dutt			778.81		
			(822.94)		
Smt. V Kavitha Dutt			584.11		
			(617.20)		
Sri G.N. Murty			96.78		
			(92.47)		
Sri Y. Vijayakumar			40.24		
			(34.63)		
Directors Out of pocket Exp. & Sitting fees					
V. H Ramakrishnan			4.20		
			(4.00)		
Vijay shankar			2.80		
			(4.40)		
P. S. Kumar			4.80		
			(4.80)		
M. Narasimhappa			4.20		
			(4.00)		
Janaki Pillai			2.40		
			(1.80)		
V Chandra Kumar Prasad			2.40		
			(1.60)		
Subbarao Vallabhaneni			2.00		
			(1.60)		
Ravikumar Chitturi			2.60		
			(1.60)		
Interest paid					
Dr V L Indira Dutt			242.71		
			(226.34)		

	Subsidiary Company	Joint Venture	KMP	Related parties other relations	Companies Controlled by KMP
Smt. V Kavitha Dutt			39.83		
			(43.85)		
Other Relations					
Kum. Shivani D. Chitturi				35.83	
				(37.20)	
VL Dutt (HUF)				91.10	
				(92.99)	
V. Ramakrishna Sons Pvt Limited					30.31
					(20.83)
Dividend paid					
Dr V L Indira Dutt			197.74		
			(14.41)		
Smt. V Kavitha Dutt			27.20		
			(1.97)		
Other Relations					
Kum. Shivani Dutt Chitturi				27.00	
				(1.95)	
Smt. Uma S Vallabhaneni				0.20	
				(0.24)	
V. Ramakrishna Sons Pvt Limited					779.13
					(58.43)
VRK Grandsons Investment (Private) Limited					84.98
					(6.37)
Dr V L Dutt (HUF)				2.27	
				(0.17)	
Loans/Deposit Repaid					
Dr. V. L. Indira Dutt			330.00		
			(273.50)		
Smt. V Kavitha Dutt			90.00		
			(11.53)		
V. Ramakrishna Sons Pvt Limited					-
					-

	Subsidiary Company	Joint Venture	KMP	Related parties other relations	Companies Controlled by KMP
Dr V L Dutt(HUF)				600.00	
				-	
Kum.Shivani Dutt Chitturi				58.00	
				(252.00)	
Rent Paid					
Dr V L Indira Dutt			149.56		
			(125.36)		
Smt. V Kavitha Dutt			4.29		
			(4.29)		
Other Relations					
Smt.Uma.s.Vallabhaneni				151.60	
				(125.24)	
Smt.V.Rama Kumari				112.00	
				(92.88)	
Bala Tripurasundari Ammavaru Trust					149.33
					(122.81)
Sri.V.Chandra kumar				62.58	
				(52.07)	
Corporate Social Responsibility (CSR ACTIVITIES)					
V Ramakrishna Charitable Trust					68.36
					(26.16)
Kids Academy of General & Technical Education					13.52
					-
Donations					
Sri V Ramakrishna Higer Secondary School					76.00
					(5.00)
Balances as at 31.03.2022					
Share Capital held by KCP in					
KCP Vietnam Industries Limited	2,371.44				
	(2,371.44)				



(Rs in Lakhs)

	Subsidiary Company	Joint Venture	KMP	Related parties other relations	Companies Controlled by KMP
Fives Cail KCP Limited		40.00			
		(40.00)			
Receivable - Trade dues/others					
Fives Cail KCP Limited		229.76			
		-			
V. Ramakrishna Sons (P) Limited					0.08
					(0.04)
Receivable - Rent					
Fives Cail KCP Limited		-			
		-			
Share capital in KCP held by					
Dr. V. L. Indira Dutt			99.70		
			(98.87)		
Smt. V Kavitha Dutt			13.60		
			(13.60)		
Other Relations					
Kum.Shivani Dutt Chitturi				13.50	
				(13.50)	
Smt.Uma S Vallabhaneni				0.10	
				(0.10)	
V. Ramakrishna Sons (P) Limited					389.56
					(389.56)
VRK Grandsons Investment (P) Limited					42.49
					(42.49)
Dr. VL Dutt (HUF)				1.14	-
				(1.14)	-

Standalone

(Rs in Lakhs)

	Subsidiary Company	Joint Venture	KMP	Related parties other relations	Companies Controlled by KMP
Loans/Advances held					
Fives Cail KCP Limited					
Dr V L Indira Dutt			1,395.00		
			(1,310.00)		
Smt. V Kavitha Dutt			450.00		
			(450.00)		
V. Ramakrishna Sons (P) Limited					670.00
					(270.00)
Sri.V.Chandra kumar				-	
				(0.96)	
Sri Chandramoulieswara Nursing Home Trust					-
					(0.36)
Bala Tripurasundari Ammavaru Trust					-
					(0.54)
Deposits held with the company					
Dr V L Indira Dutt			1,913.50		
			(1,433.50)		
Smt. V Kavitha Dutt			101.53		
			(101.53)		
Other Relations					
VL Dutt (HUF)				1,050.00	
				(1,050.00)	
Kum.Shivani Dutt Chitturi				415.00	
				(415.00)	
Commission payable					
Dr. V. L. Indira Dutt			511.24		
			(651.12)		
Smt. V Kavitha Dutt			406.93		
			(445.10)		

	Subsidiary Company	Joint Venture	KMP	Related parties other relations	Companies Controlled by KMP
Superannuation Payabale					
Dr. V L Indira Dutt			12.15		
			(12.15)		
Payable-Trade Dues					
Dr. V. L. Indira Dutt			39.63		
			(41.28)		
Smt. V Kavitha Dutt			1.16		
			(1.18)		
Other Relations					
Smt.V.Rama Kumari				34.34	
				(35.73)	
Sri.V.Chandra kumar				16.06	
				(16.31)	
Smt.Uma.s.Vallabhaneni				35.61	
				(36.25)	
Bala Tripurasundari Ammavaru Trust					41.11
					(42.88)
Sri V Ramakrishna Higer Secondary School					34.10
					-
V Ramakrishna Charitable Trust					7.11
					-

Note: Figures in brackets under Note no.48 (Annexure-I) related to previous year.

Annexure - II Referred in Note No. 59

59 A. Financial Assets & Financial Liabilities and their fair values

The following tables show the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

Levels in Fair value Hierarchy

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e as prices) or indirectly (i.e derived from prices)

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at 31st March, 2022 (Rs in Lakhs)

Particulars	Note	Carrying amount					Fair value					
		Fair value hedging instruments	Financial assets -FVTOCI	Financial assets -FVTPL	Financial assets- Amortised cost	Financial liabilities- amortised cost	Total	Level 1	Level 2	Level 3	Total	
Financial instruments measured at fair value												
Investments	6	-	19.90	-	2,873.43	-	2,893.34	19.90	-	-	19.90	-
Financial assets not measured at fair value												
Trade receivables	7 & 11	-	-	-	5,765.08	-	5,765.08	-	-	-	-	-
Cash and Cash Equivalents	12	-	-	-	209.57	-	209.57	-	-	-	-	-
Bank balances other than above	12A	-	-	-	20,021.47	-	20,021.47	-	-	-	-	-
Loans		-	-	-	-	-	-	-	-	-	-	-
Staff Advance	13	-	-	-	30.79	-	30.79	-	-	-	-	-
Other Financial assets	8	-	-	-	-	-	-	-	-	-	-	-
EMD	8	-	-	-	4.50	-	4.50	-	-	-	-	-
Bank Balances with maturity more than 12 months	8	-	-	-	3,764.38	-	3,764.38	-	-	-	-	-
Interest accrued on other deposits	13	-	-	-	14.07	-	14.07	-	-	-	-	-
Interest accrued on fixed deposits	13	-	-	-	14.28	-	14.28	-	-	-	-	-
Due from Gratuity Trust	13	-	-	-	2.52	-	2.52	-	-	-	-	-
Gratuity plan assets (Net)	13	-	-	-	-	-	-	-	-	-	-	-
Non trade receivables from JV	13	-	-	-	0.82	-	0.82	-	-	-	-	-
Contract Assets	13	-	-	-	1,171.31	-	1,171.31	-	-	-	-	-
Others (Employee Benefit Plan)	13	-	-	31.61	-	-	31.61	31.61	-	-	31.61	-
Total		-	19.90	31.61	33,872.23	-	33,923.75	51.52	-	-	51.52	-
Financial liabilities not measured at fair value												
Borrowings	18 & 23	-	-	-	-	-	-	-	-	-	-	-
Trade payables	19 & 24	-	-	-	-	33,630.98	33,630.98	-	-	-	-	-
Other financial liabilities (Non Current)	20	-	-	-	-	8,628.34	8,628.34	-	-	-	-	-
Other financial liabilities (Current) :-						1,521.93	1,521.93	-	-	-	-	-
Accrued salaries and benefits	25	-	-	-	-	1,162.64	1,162.64	-	-	-	-	-
Payable to directors	25	-	-	-	-	918.16	918.16	-	-	-	-	-
Outstanding liabilities for expenses	25	-	-	-	-	-	-	-	-	-	-	-
Others	25	-	-	-	-	18,019.66	18,019.66	-	-	-	-	-
Lease Liability		-	-	-	-	254.33	254.33	-	-	-	-	-
Total		-	-	-	-	64,136.03	64,136.03	-	-	-	-	-

As at 31st March, 2021

(Rs in Lakhs)

Particulars	Note	Fair value hedging instruments	Carrying amount				Fair value						
			Financial assets -FVTOCI	Financial assets -FVTPL	Financial assets- Amortised cost	Financial liabilities- amortised cost	Total	Level 1	Level 2	Level 3	Total		
Financial instruments measured at fair value													
Investments	6	-	17.16	-	2,873.43	-	-	2,890.60	17.16	-	-	-	17.16
Financial assets not measured at fair value													
Trade receivables	7 & 11	-	-	-	6,864.55	-	-	6,864.55	-	-	-	-	-
Cash and Cash Equivalents	12	-	-	-	171.63	-	-	171.63	-	-	-	-	-
Bank balances other than above	12A	-	-	-	18,084.78	-	-	18,084.78	-	-	-	-	-
Loans		-	-	-	-	-	-	-	-	-	-	-	-
Staff Advance	13	-	-	-	35.80	-	-	35.80	-	-	-	-	-
Other Financial assets		-	-	-	-	-	-	-	-	-	-	-	-
EMD	8	-	-	-	12.14	-	-	12.14	-	-	-	-	-
Interest accrued on other deposits	13	-	-	-	11.83	-	-	11.83	-	-	-	-	-
Interest accrued on fixed deposits	13	-	-	-	32.22	-	-	32.22	-	-	-	-	-
Due from Gratuity Trust	13	-	-	-	-	-	-	-	-	-	-	-	-
Gratuity plan assets (Net)	13	-	-	-	-	-	-	-	-	-	-	-	-
Non trade receivables from JV	13	-	-	-	0.04	-	-	0.04	-	-	-	-	-
Contract Assets	13	-	-	-	456.45	-	-	456.45	-	-	-	-	-
Others	13	-	-	-	-	-	-	-	-	-	-	-	-
Total		-	17.16	-	28,542.87	-	-	28,560.04	17.16	-	-	-	17.16
Financial liabilities not measured at fair value													
Borrowings	18 & 23	-	-	-	-	-	-	39,383.27	-	-	-	-	-
Trade payables	19 & 24	-	-	-	-	-	-	7,876.11	-	-	-	-	-
Other financial liabilities (Non Current)	20	-	-	-	-	-	-	1,343.77	-	-	-	-	-
Other financial liabilities (Current) :-													
Accrued salaries and benefits	25	-	-	-	-	-	-	1,038.84	-	-	-	-	-
Payable to directors	25	-	-	-	-	-	-	1,096.21	-	-	-	-	-
Outstanding liabilities for expenses	25	-	-	-	-	-	-	-	-	-	-	-	-
Others	25	-	-	-	-	-	-	13,906.23	-	-	-	-	-
Lease Liability		-	-	-	-	-	-	279.85	-	-	-	-	-
Total		-	-	-	-	-	-	64,924.28	64,924.28	-	-	-	-

Note 59 B. Financial instruments - Fair values and risk management

Financial risk management objectives and policies

The Company's activities exposed it to market risk (including interest rate risk and price risk), credit risk and liquidity risk. The Company's risk management is carried out by the Board of Directors. The board supervises overall risk management, as well as policies covering specific areas, such as foreign exchange risk, credit risk and use of financial instruments. The financial authority limits or seek to limit and mitigate transactional risks by setting out the threshold of approvals required for entering into contractual obligations.

a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices, such as foreign exchange rates, interest rates and equity prices.

b) Interest rate risk

The Company's exposure to market risk for changes in interest rate environment relates mainly to its debt obligations. The Company's policy is to maintain an efficient and optimal interest cost structure using a mix of fixed and variable rate debts and long-term and short-term borrowings. The Company's borrowings majorly consists of project funding loans, working capital loans having variable rate of interest.

The interest rate profile of the Company's interest-bearing instruments as reported to management is as follows:

(Rs in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Fixed rate instruments		
Financial liabilities (Includes borrowings)	11,069.11	10,537.33
Financial assets	23,560.57	17,899.51
Variable rate instruments		
Financial liabilities (Includes borrowings)	22,561.87	28,845.94
Total financial liabilities (Net)	10,070.41	21,483.76

i) Sensitivity analysis

Particulars	Impact on profit/(loss)	
	31.03.2022	31.03.2021
1% increase in MCLR rate	(226)	(288)
1% decrease in MCLR rate	226	288

ii) Fair value

The following methods and assumptions were used to estimate the fair values:

- The carrying value of financial asset approximates fair value

iii) Credit risk

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or customer contract, leading to financial loss. The credit risk arises principally from its operating activities (primary trade receivables) and from its investing activities, including deposits with banks and other financial instruments. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom credit has been granted after obtaining necessary approvals for credit. The collection from the trade receivables are monitored on a continuous basis by the receivables team.

The company's credit risk for trade receivables is as follows

Particulars	31.03.2022	31.03.2021
Trade receivables	5,765.08	6,864.55

The movement in allowance for credit loss in respect of trade receivables during the year is as follows:

Allowance for credit loss	31.03.2022	31.03.2021
Balance at the beginning	10.79	5.61
Impairment loss recognised	(1.83)	5.18
Balance at the end	8.96	10.79

No single customer accounted for more than 10% of the revenue as of 31.03.2022 and 31.03.2021.

There is no significant concentration of credit risk.

Credit risk on cash and cash equivalent is limited as the company generally transacts with banks and financial institutions with high credit ratings assigned by international and credit rating agencies.

Note 59 C Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its obligations associated with its financial liabilities that are settled by delivering cash or another financial asset as they fall due. The Company is exposed to this risk from its operating activities and financial activities. The Company's approach to managing liability is to ensure, as far as possible that it will have sufficient liquidity to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Liquidity requirements are maintained within the credit facilities established and are available to the company to meet its obligations.

The table below provides details regarding the contractual maturities of significant financial liabilities as of the reporting date.

As at March 31, 2022

Particulars	Carrying value	Contractual cash flows				Total
		Less than 1 year	1-2 years	2-5 years	More than 5 years	
Borrowings (Non current)	17,889.24	-	8,208.85	9,680.39	-	17,889.24
Current maturities of long term borrowings	8,807.25	8,807.25	-	-	-	8,807.25
Financial liabilities (Non current)	1,771.53	-	1,771.53	-	-	1,771.53
Cash credit & Demand Loans	6,934.49	6,934.49	-	-	-	6,934.49
Trade payables (current)	8,628.34	8,628.34	-	-	-	8,628.34
Trade payables (non -current)	-	-	-	-	-	-
Other financial liabilities(Current)	20,105.19	20,105.19	-	-	-	20,105.19
	64,136.03	44,475.27	9,980.38	9,680.39	-	64,136.03

As at 31st March 2021

(Rs in Lakhs)

Particulars	Carrying value	Contractual cash flows				Total
		Less than 1 year	1-2 years	2-5 years	More than 5 years	
Borrowings (Non current)	24,775.61	-	9,316.80	15,458.81	-	24,775.61
Current maturities of long term borrowings	10,365.18	10,365.18	-	-	-	10,365.18
Financial liabilities (Non current)	1,592.60	-	1,592.60	-	-	1,592.60
Cash credit & Demand Loans	4,242.47	4,242.47	-	-	-	4,242.47
Trade payables (current)	7,604.85	7,604.85	-	-	-	7,604.85
Trade payables (non-current)	271.26	-	271.26	-	-	271.26
Other financial liabilities(Current)	16,072.30	16,072.30	-	-	-	16,072.30
	64,924.28	38,284.81	11,180.66	15,458.81	-	64,924.28

Note 59 D. Foreign exchange risk

The Company imports coal/chromo sand for its production operations, and exports cement/engineering equipments.

The impact of foreign exchange rate variation (US \$) on its segments' performance is as follows.

Particulars	Impact on profit	
	2021-2022	2020-21
Increase in Exchange Rate by Re.1		
Cement	(44.82)	(63.95)
Captive Power Plant	0.00	(12.87)
Engineering	0.00	0.00
Decrease in Exchange Rate by Re.1		
Cement	44.82	63.95
Captive Power Plant	0.00	12.87
Engineering	0.00	0.00

Note 59 E. Commercial risk

Sale price risk

(Rs in Lakhs)

Particulars	Impact on profit	
	2021-2022	2020-2021
Selling price increase by 5%		
Cement	7,414.78	5,983.05
Power	4.62	-
Engineering	375.99	417.13
Hospitality & other Services	103.79	52.42
Selling price decrease by 5%		
Cement	(7,414.78)	(5,983.05)
Power	(4.62)	-
Engineering	(375.99)	(417.13)
Hospitality & other Services	(103.79)	(52.42)

Raw material price risk

Particulars	Impact on profit	
	2021-2022	2020-2021
Raw material price increase by 5%		
Cement		
Limestone	(953.42)	(785.98)
Laterite	(75.52)	(54.97)
Fly Ash	(137.40)	(98.79)
Gypsum	(164.34)	(109.69)
Engineering		
Iron and Steel, Nickel and Scrap	(198.76)	(91.57)
	(1,529.45)	(1,141.00)
Raw material price decrease by 5%		
Cement		
Limestone	953.42	785.98
Laterite	75.52	54.97
Fly Ash	137.40	98.79
Gypsum	164.34	109.69
Engineering		
Iron and Steel, Nickel and Scrap	198.76	91.57
	1,529.45	1,141.00



SRI KANAKADURGAMMA FLYOVER

Vijayawada, Andhrapradesh (2021)

Building the Nation since 1958

cement.kcp.co.in



The KCP Limited (Group)

Financial Statements

Contents

1. Independent Auditors' Report	181
2. Balance Sheet	188
3. Profit and Loss Statement	189
4. Changes in Equity Statement	190
5. Cash Flow Statement	192
6. Notes forming Part of the Financial Statements (Group)	193

KCP Viet Nam Industries Limited



Independent Auditors' Report on Financial Statements (Group)

To the members of The KCP Limited, Chennai

Report on Consolidated Financial Statements:

Opinion

We have audited the accompanying consolidated financial statements of **THE KCP LIMITED** ("the Holding Company") its subsidiary (Holding company and its subsidiary together referred as "the Group") and its joint venture, comprising the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and notes to the consolidated financial statements, including a summary of the significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key Audit matters are those matters that in our professional judgment, were of most significance in our audit of the Consolidated financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed and based on the work done/audit report of the other auditor, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated

total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its joint venture with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and Joint venture are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and joint venture are responsible for assessing the Group's ability and joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and joint venture are also responsible for overseeing the financial reporting process of the Group and joint venture

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to

influence the economic decisions of users taken on the basis of these consolidated financial statements

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company, joint venture and its subsidiary company which is accompany incorporated outside India, have adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the

underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial information of the holding company included in the consolidated financial statements of which we are the independent auditors. For the other entity and joint venture included in the consolidated financial statements, which has been audited by other auditors, such other auditors remains responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit report of the other auditors referred to in para (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

- a) We did not audit the financial statements /financial information of KCP Vietnam Industries Limited (subsidiary), and whose financial statements/ financial information reflect total assets of Rs.89,074.37 Lakhs as at March 31, 2022, total revenues of Rs. 54,298.30 Lakhs and net cash flows from operating activities amounting to Rs. 5,394.53 Lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements include the share of net profit of Rs.15,457.05 Lakhs for the year ended March 31, 2022, as considered in the consolidated Ind AS financial statements, whose financial statements/ financial information have not been audited by us. This financial statements/financial information have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of sub-section (3) and (11) of section 143 of the Act, insofar as it relates to the aforesaid subsidiary, is based solely on the report of the other auditor.
- b) We did not audit the financial statements /financial information of Fives Cail KCP Limited (Joint Venture), and the consolidated Ind AS financial statements also includes the Group's share of net profit of Rs. 51.93 Lakhs and other comprehensive loss of of Rs.6.55 Lakhs for the year ended March 31, 2022, as considered in the consolidated Ind AS financial statements, in respect of Fives Cail KCP Limited (Joint Venture), whose financial statements/ financial information have not been audited by us. These financial statements/financial information have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of the joint venture, and our report in terms of sub-section (3) and (11) of section 143 of the Act, insofar as it relates to the aforesaid subsidiary, is based solely on the report of the other auditor.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the

other auditor and the financial statements/financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, on the matters specified in the paragraph 3 (xxi) of the Order regarding the qualifications or adverse remarks by the statutory auditor of the joint venture we state that there have been no qualifications or Adverse remarks in the CARO Report of the said Joint Venture.

1. As required by section 143(3) of the Act, we report to the extent applicable, that

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Cash Flows Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and the report of Statutory auditor of a joint venture none of the directors of the Holding company and joint venture incorporated in India is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

f) With respect to the adequacy of the internal financial controls over financial reporting and

the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein;

g) With respect to Managerial Remuneration to be included in the Auditors' report under Section 197(16) :

In our opinion and according to the information and explanation given to us, the remuneration paid during the year by the Holding Company and its joint venture is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its joint venture, is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us;

h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

(i) the consolidated financial statements disclose impact of pending litigations on the consolidated financial position of the Group and joint venture – Refer Note No 37 of the consolidated Ind AS financial statements.

(ii) the Group and joint venture has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts but did not have derivative contracts—Refer Note 46 to the Consolidated Ind AS financial statements.

(iii) there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and joint venture incorporated in India.

(iv) (a) The respective Managements of the Company and joint venture which are incorporated in India whose financial statements have been audited under the Act have represented to us and other auditors of subsidiary, to the best of its knowledge

and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) The respective Managements of the Company and joint venture which are incorporated in India whose financial statements have been audited under the Act have represented to us and other auditors of subsidiary, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other

persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (v) The dividend declared and paid during the year by the holding company is in compliance with section 123 of the Companies Act, 2013. The joint venture company incorporated in India have neither declared nor paid any dividend during the year.

for **K.S.RAO & CO**
Chartered Accountants
Firm Regn.No.003109S

(P. GOVARDHANA REDDY)
Partner

Place : Chennai
Date :18.05.2022

Membership No. 029193
UDIN:22029193AJRNOE5802

Annexure ‘A’ To The Independent Auditor’s Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

Opinion

In conjunction with our audit of the consolidated financial statements of **The KCP Limited** (hereinafter referred to as “The Holding Company”) and its joint venture, as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to the consolidated financial statements of the holding company and such companies incorporated in India under the Companies Act, 2013 which are its joint venture as of that date.

In our opinion, the Holding Company and its joint venture company incorporated in India, in all material respects, an adequate internal financial controls system with reference to the consolidated financial statements and such internal financial controls were operating effectively as at March 31, 2022, based on the internal control with reference to the consolidated financial statements criteria established by such Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to financial statements issued by the Institute of Chartered Accountants of India.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company and its joint venture are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over financial reporting issued by the Institute of Chartered Accountants of India (ICAI)”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the

accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over financial reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company’s internal financial control over financial reporting is a process designed to provide reasonable

assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and those receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its joint venture have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March, 2022, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over financial reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to one joint venture, which is a company incorporated in India, is based on the corresponding reports of the auditors of such company

Our opinion is not modified in respect of the above matters.

for **K.S.RAO & CO**
Chartered Accountants
Firm Regn.No.003109S

Place : Chennai
Date :18.05.2022

(P. GOVARDHANA REDDY)
Partner
Membership No. 029193
UDIN:22029193AJRNOE5802

Balance Sheet (Group)

(Rs in Lakhs)

	Particulars	Note No.	As at 31-03-2022	As at 31-03-2021
I	Assets			
(1)	Non-current Assets			
	(a) Property, Plant and Equipment	2	1,05,219.07	1,09,009.16
	(b) Capital Work-in-progress	3	844.01	2,313.01
	(c) Investment Property	4	-	0.47
	(d) Other Intangible Assets	5	538.48	551.13
	(e) Financial Assets			
	(i) Investments	6	1,144.99	1,096.88
	(ii) Trade Receivables	7	215.61	544.62
	(iii) Loans		-	-
	(iv) Other financial assets	8	6,737.81	794.40
	(f) Deferred Tax Assets (Net)		-	-
	(g) Other Non-current Assets	9	1,107.69	1,000.72
(2)	Current Assets			
	(a) Inventories	10	35,998.43	27,838.21
	(b) Financial Assets			
	(i) Investments		-	-
	(ii) Trade Receivables	11	11,391.35	11,555.37
	(iii) Cash and cash equivalents	12	382.78	309.13
	(iv) Bank balances other than (iii) above	12A	56,819.65	43,567.11
	(vi) Other financial assets	13	1,265.41	536.35
	(c) Current Tax Assets (Net)	14	796.91	1,237.55
	(d) Other Current assets	15	15,722.37	10,546.39
	Assets Held for Sale	15A	0.47	-
	Total Assets		2,38,185.02	2,10,900.49
II	Equity and Liabilities			
	Equity			
	(a) Equity Share Capital	16	1,289.21	1,289.21
	(b) Other Equity	17	1,16,411.09	98,272.47
	Non Controlling Interest	17A	23,543.75	19,707.95
	Deferred Government Grant		26.43	28.42
	Liabilities			
(1)	Non-current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	18	17,889.24	24,775.61
	(ii) Lease Liabilities		249.60	248.83
	(iii) Trade Payables	19		
	Due to Micro and Small Enterprises		-	-
	Due to Others		-	271.26
	(iv) Other financial liabilities	20	5,982.08	4,456.43
	(b) Provisions	21	1,375.83	1,292.29
	(c) Deferred Tax Liabilities (Net)	22	8,815.87	7,067.54
(2)	Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	23	25,543.17	21,787.87
	(ii) Lease Liabilities		4.73	31.02
	(iii) Trade Payables	24		
	Due to Micro and Small Enterprises		245.00	334.03
	Due to Others		10,001.72	9,454.42
	(iii) Other financial liabilities	25	22,453.11	17,846.91
	(b) Other current liabilities	26	3,589.96	3,578.14
	(c) Provisions	27	764.23	458.07
	Total Equity and Liabilities		2,38,185.02	2,10,900.49
The accompanying notes form an integral part of the financial statements		1,37 to 53		

(FOR AND ON BEHALF OF THE BOARD)

Dr. V.L. INDIRA DUTT
Chairperson & Managing Director
DIN: 00139883

V. KAVITHA DUTT
Joint Managing Director
DIN: 00139274

G N MURTY
Chief Financial Officer

Y VIJAYAKUMAR
Company Secretary
ACS: 16353

As per our report annexed

for K.S.RAO & CO
Chartered Accountants
Firm Regn No. 003109S

P GOVARDHANA REDDY
Partner
ICAI Mem No: 029193

Place: Chennai
Date : May 18, 2022

Profit and Loss Statement (Group)

(Rs in Lakhs)

Particulars	Note No	FY 2021-2022	FY 2020-2021
Income			
Revenue from Operations	28	2,10,820.73	1,69,253.50
Other Income	29	3,856.67	2,681.85
Total Revenue (I)		2,14,677.40	1,71,935.35
Expenses			
Cost of Raw Materials and Components consumed	30	63,344.43	45,845.67
[Increase]/Decrease in Inventories of finished goods, Work-in-progress and traded goods	31	(7,437.82)	4,307.96
Employee Benefits expense	32	12,507.58	11,663.63
Power and fuel		46,791.03	30,962.95
Freight and forwarding charges		37,151.95	25,945.01
Finance Costs	33	3,384.73	4,636.97
Depreciation and amortization expense	33A	8,706.17	9,171.01
Excise duty		-	-
Other expenses	34	21,037.05	14,181.80
Total Expenses (II)		1,85,485.11	1,46,715.00
Profit/(Loss) before Exceptional items and tax		29,192.29	25,220.35
Add : Exceptional Items (Net)		-	-
Profit/(Loss) before tax		29,192.29	25,220.35
Add : Income Tax Refund			
Less : Tax expenses	35		
Short /Excess provision of Income Tax		338.95	-
Short /(Excess) MAT credit utilised / (entitlement)		(127.64)	-
Current tax		5,050.00	3,812.00
Deferred tax		16.53	4,324.50
Add: MAT credit entitlement		-	(1,793.13)
Total tax expense		5,277.83	6,343.37
Profit/(Loss) for the year from continuing operations (A)		23,914.46	18,876.98
Profit / (Loss) from discontinued operations		-	-
Less : Tax expense of discontinued operations		-	-
Profit / (Loss) from discontinued operations (after tax) (B)		-	-
Profit / (Loss) for the year (A) + (B)		23,914.46	18,876.98
Share of profit from joint venture		51.93	(380.58)
Less: Non Controlling share of Profit	17A	5,152.35	2,197.61
Profit / (Loss) after Non controlling interest		18,814.03	16,298.79
Other Comprehensive Income- OCI			
Items that will not be reclassified to P&L	36	2,901.35	(630.36)
Income tax relating to items that will not be reclassified to profit or loss		(36.46)	(50.30)
Share of OCI from joint venture		(6.55)	13.67
Less: Non controlling share of OCI	17A	955.33	(291.39)
OCI after Non controlling share		1,903.00	(375.61)
Total Comprehensive Income for the period (Comprising P&L + OCI)		26,824.72	17,829.40
Less: Minority share of Total Comprehensive income	17A	6,107.68	1,906.22
Total Comprehensive income after minority interest		20,717.04	15,923.18
Earnings per share (for Continuing Operations) Basic and diluted	Rs. 42	14.59	12.64
Earnings per share (for Discontinued Operations) Basic and diluted		-	-
Total Earnings per share - Basic and diluted	Rs.	14.59	12.64
(Face value of share is Rs.1)			

The accompanying notes form an integral part of the financial statements

1,37 to 53

(FOR AND ON BEHALF OF THE BOARD)

Dr. V.L. INDIRA DUTT
Chairperson & Managing Director
DIN: 00139883

V. KAVITHA DUTT
Joint Managing Director
DIN: 00139274

G N MURTY
Chief Financial Officer

Y VIJAYAKUMAR
Company Secretary
ACS: 16353

As per our report annexed

for K.S.RAO & CO
Chartered Accountants
Firm Regn No. 003109S

P GOVARDHANA REDDY
Partner
ICAI Mem No: 029193

Place: Chennai
Date : May 18, 2022

(Rs.in Lakhs)

Statement of Changes in Equity for the year ended March 31, 2022

A. Equity share capital

Particulars	No of Shares	Amount (Rs.Lakhs)
Balance as at 1st April, 2020	12,89,21,160	1,289
Changes in equity share capital due to prior period errors during 2020-21	-	-
Restated Balance at the beginning of the current period	12,89,21,160	1,289
Changes in equity share capital during 2020-21	-	-
Balance as at 31st March, 2021	12,89,21,160	1,289
Changes in equity share capital due to prior period errors during 2021-22	-	-
Restated Balance at the beginning of the current period	12,89,21,160	1,289
Changes in equity share capital during 2021-22	-	-
Balance as at 31st March, 2022	12,89,21,160	1,289

B. Other Equity

Particulars	Reserves & Surplus						Other Comprehensive Income		Total				
	Share application money pending allotment	Equity component of compound financial instruments	Capital Redemption Reserve	Capital Reserve on reorganization	Capital Reserve on Amalgamation	Capital Reserve of Subsidiary	Translation Reserve	Other Reserves (General reserve)		Retained Earnings	Equity instruments through Other Comprehensive Income	Actuarial Gains/ losses reserve	Money received against share warrants
Balance at the beginning of reporting period - 01-04-2020	-	-	2,000.00	279.91	103.83	9,223.41	3,172.19	27,248.40	41,492.20	(10.80)	(966.47)	-	82,542.67
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated Balance at the beginning of the previous reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the period	-	-	-	-	-	-	-	-	16,679.37	-	-	-	16,679.37
Share of profit of joint venture	-	-	-	-	-	-	-	-	(380.58)	-	-	-	(380.58)
Additions/(Deletions) during the year to translation reserve	-	-	-	-	-	(208.25)	(281.43)	-	-	-	-	-	(489.68)
Ind AS Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Comprehensive Income	-	-	-	-	-	-	-	-	-	6.76	107.31	-	114.07
Total Comprehensive Income for the year	-	-	2,000.00	279.91	103.83	9,015.16	2,890.76	-	57,790.99	(4.04)	(859.15)	-	98,465.85
Transfer from/to General Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-

Rs. in Lakhs

Particulars	Reserves & Surplus							Other Comprehensive Income			Total	
	Share application money pending allotment	Equity component of compound financial instruments	Capital Redemption Reserve	Capital Reserve on reorganisation	Capital Reserve on Amalgamation	Capital Reserve of Subsidiary	Translation Reserve	Other Reserves (General reserve)	Retained Earnings	Equity instruments through Other Comprehensive Income		Actuarial Gains/ losses reserve
Final Dividends	-	-	-	-	-	-	-	-	(193.38)	-	-	(193.38)
Dividend Distribution tax	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of reporting period - 31-03- 2021	-	-	2,000.00	279.91	103.83	9,015.16	2,890.76	27,248.40	57,597.61	(4.04)	(859.15)	98,272.47
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-
Restated Balance at the beginning of the current reporting period	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the period	-	-	-	-	-	-	-	-	18,762.11	-	-	18,762.11
Share of profit of joint venture	-	-	-	-	-	-	-	-	51.93	-	-	51.93
Additions/(Deletions) during the year to translation reserve	-	-	-	-	-	617.90	1,221.78	-	-	-	-	1,839.68
Ind AS Adjustments	-	-	-	-	-	-	-	-	-	-	-	-
Other Comprehensive Income	-	-	-	-	-	-	-	-	-	2.00	61.33	63.32
Total Comprehensive Income for the year	-	-	2,000.00	279.91	103.83	9,633.06	4,112.54	27,248.40	76,411.64	(2.04)	(797.83)	1,18,989.51
Final Dividends	-	-	-	-	-	-	-	-	(2,578.42)	-	-	(2,578.42)
Dividend Distribution tax	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of reporting period - 31-03-2022	-	-	2,000.00	279.91	103.83	9,633.06	4,112.54	27,248.40	73,833.22	(2.04)	(797.83)	1,16,411.09

The accompanying notes form an integral part of the financial statements 1,37 to 53

As per our report annexed

(FOR AND ON BEHALF OF THE BOARD)

Dr. V.L. INDIRA DUTT

Chairperson & Managing Director
DIN: 00139883

V. KAVITHA DUTT

Joint Managing Director
DIN: 00139274

G N MURTY

Chief Financial Officer

Y VIJAYAKUMAR

Company Secretary
ACS: 16353

for K.S.RAO & CO

Chartered Accountants
Firm Regn No. 003109S

P GOVARDHANA REDDY

Partner
ICAI Mem No: 029193

Place: Chennai

Date : May 18, 2022

Cash Flow Statement (Group)

(Rs.in Lakhs)

Particulars	For FY 2021-2022	For FY 2020-2021
(A) Cash flow from operating activities		
Profit before tax from continuing operations	33,665.08	28,268.35
Share of profits from joint venture	51.93	(380.58)
Profit before tax	33,717.00	27,887.77
Adjustments for :		
Depreciation/ Amortization on continuing operation	8,657.83	9,123.89
Depreciation/amortization on continuing operation	48.34	47.12
Loss/[profit] on sale of fixed assets	(23.29)	0.13
Assets written off	72.00	147.35
Expected Credit loss	(1.83)	5.18
Discounting of trade receivables	(8.26)	(9.57)
Amortisation of government grant	(1.99)	(1.99)
Unrealised foreign exchange loss/ (gain)	(85.43)	-
Actuarial loss on defined benefit plan-gratuity	148.98	180.12
Actuarial loss on defined benefit plan-leave	(115.61)	6.63
Translation gain/loss during the year	2,865.99	(874.17)
Interest expense	3,158.03	4,241.50
Share of OCI of Associate	(6.55)	13.67
Interest income	(2,936.63)	(2,017.64)
Decommissioning provision credited back	-	(193.75)
Dividend income	(4,388.10)	(3,048.40)
Operating profit before working capital changes	41,100.45	35,507.84
Movements in working capital:		
Adjustments for Increase / (Decrease) in operating liabilities :		
Increase/[decrease] in trade payables	187.01	(1,563.55)
Increase/[decrease] in other financial liabilities (non-current)	1,542.71	1,204.70
Increase/[decrease] in long term provisions	6.70	(313.20)
Increase/[decrease] in other financial liabilities (Current)	4,524.66	2,216.41
Increase/[decrease] in other current liabilities	11.82	2,324.47
Increase/[decrease] in short-term provisions	306.16	77.21
Adjustments for [Increase]/decrease in operating assets :		
[Increase]/decrease in trade receivables (non-current)	337.27	17.48
[Increase]/decrease in other financial assets (non-current)	(3,756.74)	11.04
[Increase]/decrease in other non-current assets	(106.97)	(14.71)
[Increase]/decrease in inventories	(8,160.22)	1,072.83
[Increase]/decrease in trade receivables (current)	165.86	(3,004.93)
[Increase]/decrease in other bank deposits	(13,252.54)	(17,904.07)
[Increase]/decrease in other financial assets (current)	(744.77)	(361.22)
[Increase]/decrease in other current assets	(5,176.44)	(2,971.25)
Cash generated from/[used in] operations	16,984.96	16,299.04
Direct taxes paid (net of refunds)	(3,125.33)	(3,293.30)
Net cash flow from/[used in] operating activities (A)	13,859.63	13,005.74
(B) Cash flows from investing activities		
Purchase of fixed assets, including intangible assets, CWIP	(3,540.79)	(1,721.86)
Proceeds from sale of fixed assets	109.32	191.69
Purchase of non-current investments	(2,186.67)	(782.25)
Purchase of current investments	(0.75)	(0.40)
(Increase)/Decrease in value of investments in joint venture	(45.38)	366.91
Interest received	2,952.33	1,875.95
Dividends received	71.72	2,955.28
Net cash flow from/[used in] investing activities (B)	(2,640.21)	2,885.33
C. Cash flows from financing activities		
Repayment of long term Borrowings (net)	(7,944.14)	(5,642.46)
Proceeds from short term borrowings	4,813.07	(2,703.09)
Principal repayment of lease liabilities	(24.02)	(62.11)
Interest repayment of lease liabilities	(29.48)	(33.64)
Interest paid	(3,007.54)	(4,489.93)
Dividends paid	(4,953.66)	(4,615.51)
Net cash flow from/[used in] in financing activities [C]	(11,145.78)	(17,546.73)
Net increase/[decrease] in cash and Bank Balances (A+B+C)	73.64	(1,655.67)
Cash and Bank Balances at the beginning of the year	309.13	1,964.80
Cash and Bank Balances at the end of the year	382.78	309.13
Components of cash and Bank Balances		
Cash on hand	17.59	11.60
With banks on current account	345.08	275.61
Cheques/drafts on hand	20.10	21.93
Total Cash and Bank Balances	382.78	309.13

(FOR AND ON BEHALF OF THE BOARD)

Dr. V.L. INDIRA DUTT
Chairperson & Managing Director
DIN: 00139883

V. KAVITHA DUTT
Joint Managing Director
DIN: 00139274

G N MURTY
Chief Financial Officer

Y VIJAYAKUMAR
Company Secretary
ACS: 16353

As per our report annexed

for K.S.RAO & CO
Chartered Accountants
Firm Regn No. 003109S

P GOVARDHANA REDDY
Partner
ICAI Mem No: 029193

Place: Chennai
Date : May 18, 2022

Notes Forming Part of the Financial Statements (Group)

1. Group overview and significant accounting policies

1.1. Group overview

The KCP Limited (“the group”) a public limited group incorporated and domiciled in India and has its registered office at Chennai. The securities of the group are listed in National Stock Exchange of India Limited. The Group is engaged in the business of manufacture and sale of cement, sugar, heavy engineering, power generation for captive use and hospitality. The financial statements for the year ended March 31, 2022 were approved by the Board of Directors and authorize for issue on May 18, 2022. The KCP Limited has a subsidiary by name KCP Vietnam Industries Ltd (KCP VIL), a group incorporated in Socialist Republic of Vietnam, in which it holds 2/3 rd of the share capital. KCP VIL owns and operates sugar business and also runs cogen power plant in Vietnam. The KCP Limited has a joint venture by name Fives Cail KCP Ltd (FC KCP), a Group incorporated in India. In FC KCP group it holds 40% interest in equity capital. FC KCP manufactures sugar machinery, boilers and steam generating plants.

1.2. Basis for preparation of financial statements

These consolidated financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, under the provisions of the Companies Act, 2013 (“the Act”) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The Group presents assets and liabilities in the balance sheet based on current / non-current classification.

- a) Cash or cash equivalent is treated as current, unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. In respect of other assets, it

is treated as current when it is:

- expected to be realized or intended to be sold or consumed in the normal operating cycle
 - held primarily for the purpose of trading and
 - expected to be realized within twelve months after the reporting period.
- b) All other assets are classified as non-current.
- c) A liability is treated as current when:
- it is expected to be settled in the normal operating cycle
 - it is held primarily for the purpose of trading
 - it is due to be settled within twelve months after the reporting period, or
 - there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- d) All other liabilities are classified as non-current.
- e) Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

1.3. Basis of consolidation

The KCP Limited (Parent) has prepared the group consolidated financial statements by Consolidating its accounts and those of its subsidiary KCP VIL and Joint venture FC KCP. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the investee. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity’s returns.

KCP VIL:

The subsidiary accounts have been consolidated by combining line-by-line like items of assets, liabilities, equity, income, expenses and cash flows after eliminating material intra group balances and

transactions. Non-controlling share of the minority in the net profit for the year is identified and adjusted against the profit after tax of the group to the extent of the share of minorities in the equity.

FIVES CAIL KCP:

The accounts of FC KCP have been consolidated based on equity method. As per the equity method, only share of the KCP Limited in the profits and reserves of FC KCP which is 40%, have been added to the profits and equity respectively in the consolidated accounts.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted there-after to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Dividends received or receivable from joint ventures are recognised as a reduction in the carrying amount of the investment.

Unrealised gains on transactions between the group and its Joint venture are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note 1(v) below.

Changes in ownership interests: -

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised

within equity.

When the group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or Significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

1.4 Recent Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS 16 – Property Plant and Equipment – Proceeds before intended use

The amendment clarifies that the excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant and equipment.

The effective date for adoption of this amendment is annual periods beginning on or after 1st April, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 37 – Provisions, Contingent liabilities and Contingent assets – Onerous contracts – cost of fulfilling a contract

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (for example, direct labour and materials)

or an allocation of other costs that relate directly to fulfilling contracts (for example, an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling that contract among others).

The effective date for adoption of this amendment is annual periods beginning on or after 1st April, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material on its financial statements.

1.5. Significant Accounting Policies

This note provides a list of the Significant accounting policies adopted in the preparation of these Consolidated Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the group consisting of The KCP Limited (the 'Group') and its subsidiary and the Joint Venture group.

i. Revenue Recognition Revenue from contracts with customers

The Group derives revenues primarily from sale of goods comprising Cement, Engineering Job work, Power, Hospitality in the brand name of Mercure.

Revenue is recognised upon transfer of control of promised goods or services to customers in an amount that reflects the consideration that the entity expect to receive in exchange for those products or services.

Revenue relating to products sale is recognized when control over the promised goods is transferred to the customers. Engineering job work can be either 'material cum service' contracts or service contracts.

Performance obligation in case of 'material cum services' is satisfied at a point in time consequently revenue is recognized when customer obtains control over promised goods and the entity has satisfied performance obligation. In case of 'service contracts' revenue is recognized based on performances completed to date by using either 'Input method' or 'output method' as prescribed for measuring progress of performance obligation under IND AS 115.

The Group accounts for Discount such as Quantity discounts, performance discounts and selling commission to dealers as a reduction from revenue based on target achievement by customer towards

earning the discount/ commission.

Trade receivables and contract balances: -

The Group classifies the right to consideration in exchange for transferring control over goods or services either as a trade receivable or as contract asset.

Trade Receivable is a right to consideration that is unconditional and contract assets is a right to consideration that is conditional on something other than passage of time.

Other income: -

Dividend income:- Dividend is recognized in statement of profit or loss only when the right to receive payment is established, it is probable that economic benefits associated with the dividend will flow to The Group, and the amount of dividend can be reliably measured.

Interest income:- Interest income is recognized as it accrues in the statement of profit or loss using effective interest rate.

ii. Government Grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all stipulated conditions.

Grants related to revenue items are presented as part of profit or loss under general heading such as other income or they are deducted in reporting the related expenses.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

iii. Employee benefits:

Employee benefits includes short term employee benefits, Post-employment benefits, Other long-term benefits and Termination benefits.

Short term employee benefits:

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

Post employment benefits:

Defined contribution plans:

These benefits include PF, superannuation and Employee state insurance. Entity contributes at statutorily specified rate monthly to Provident fund, Employee state insurance and will have no legal obligation to pay further contribution if fund doesn't have sufficient assets to pay all employee benefits relating to employee service in current and prior periods. Whereas yearly contribution is paid to Life insurance corporation towards superannuation. So, these PF, superannuation, ESI benefits will be defined contribution plans. Employer contributions for these benefits will be recognized in statement of profit and loss by way of charge against income.

Defined benefit plans: Leave absences and Gratuity

These benefits include leave absences, gratuity. Cost of providing these benefits is determined using projected unit credit method by actuary at the end of each reporting period. It has two components one is 'service cost' and 'Remeasurements'. Service cost comprises a) current service cost including gains/loss on curtailment or settlements, b) past service cost in case of plan amendment c) net Interest expense or income. Remeasurements comprise actuarial gains/losses as result of experience adjustment and changes in actuarial assumptions.

Defined benefit plans: Covid Death

Family of the employees who have died due to Covid are provided with monthly pension till the deemed superannuation date of the deceased employee, by subscribing to the customized insurance policy through lumpsum payment to the insurer.

The Plan assets created by the insurer are remeasured at the end of accounting period for recognition of gain or loss through FVTPL.

iv. PROPERTY, PLANT AND EQUIPMENT

Tangible assets:

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and borrowings costs

attributable to acquisition of qualifying property, plant and equipment up to the date the asset is ready for its intended use and initial estimate cost of decommissioning & restoring the site on which it is located. Freehold land is not depreciated.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Construction Period Expenses on Projects:

All identifiable revenue expenses including interest on term loans incurred in respect of various projects/ expansions are allocated to capital cost of respective assets/ capital work in progress.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Depreciation is recognised to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The group follows the process of componentization for property, plant and equipment. Accordingly, the group has identified a part of an asset as a separate component in whole asset value (beyond certain value) and useful life of the part is different from the useful life of the remaining asset. The useful life has been assessed based on technical advice, taking into account the nature of the asset / component of an asset, the estimated usage of the asset / component of an asset on the basis of management's best estimation of getting economic benefits from those class of assets /components of an asset. The Group

uses its technical expertise along with historical and industry trends for arriving the economic life of an asset/ component of an asset.

Machinery spares which can be used only in connection with a particular item of Fixed Assets and the use of which is irregular, are capitalized at cost.

Non-current assets held for sale- Assets held for sale are measured at the lower of carrying amount or fair value less cost to sell. The determination of fair value less cost to sell includes use of management estimates and assumptions. Non-Current Assets and disposal group that cease to be classified as “Held for Sale”, shall be measured at the lower of carrying amount before the Non - Current Assets and disposal group, was classified as “Held for Sale” and the recoverable amount at the date of subsequent decision not to sell.

Tangible assets not ready for the intended use on the date of Balance Sheet are disclosed as “Capital work-in-progress”. Advances given towards acquisition / construction of fixed assets outstanding at each Balance Sheet date are disclosed as Capital Advances under “Other Non-Current Assets”.

Stripping Costs:

Developmental stripping costs

Developmental stripping costs in order to obtain access to quantities of mineral reserves that will be mined in future periods are capitalised as part of mining assets. Capitalisation of stripping costs ends when commercial production of mineral reserves begins.

Mine closure, site restoration and decommissioning obligations

An obligation for restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the development or ongoing extraction from mines.

The company recognises unavoidable obligations, legal or assumed, to restore the mines upon exhaustion of reserves/end of lease period whichever is earlier.

The obligation is estimated on the basis of cash flows expected to be incurred as per applicable mining regulations, which mainly includes cost of plantation, fencing, biodiversity management, sustainable development, rainwater harvesting, etc.

The estimate of expenses are escalated for inflation, and then discounted at a discount rate that reflects the current market assessment of the time value of money and the risks, such that the amount of provision reflects the present value of the expenditures expected to be required to be settle the obligation.

The company records a corresponding asset associated with the liability for final reclamation and mine closure. The obligation and corresponding assets are recognised in the period in which the liability is incurred. The asset representing the total site restoration cost as per mine closure plan is recognised as a separate item in PPE and amortised over the balance project/mine life.

The value of the provision is progressively increased over time as the effect of discounting unwinds creating an expense recognised as financial expenses.

Subsequent adjustments to the obligation for changes in the estimated cashflows/disbursement period/ discount rate are made against fixed assets and depreciation/amortisation is modified prospectively.

Intangible Assets:

An intangible asset is an identifiable non-monetary asset without physical substance. It is measured at the consideration paid for its acquisition and stated at the end of each year net of amortization and impairment. Intangible assets are amortized over their individual estimated lives of 4-7 years. Amortization methods and useful lives are reviewed at the end of financial year.

Investment Property:

Investment properties are measured initially at cost, including transactions costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated Impairment loss, if any. Investment properties are de-recognized either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of de-recognition.

Depreciation

Depreciation is provided in accordance with the useful life as prescribed as follows.

In respect of assets existing as on 30-6-1988, under the written down value method; and in respect of

assets acquired on or after 1-7-1988, under the straight line method except for decommissioning cost. Decommissioning cost is depreciated using depletion method.

Useful life for parts of Assets having Significant cost, has been assessed based on technical estimate which is different from the life given under the Schedule II to the Companies Act, 2013 as given below:

No.	Description of the Asset	Estimated useful life (Years)
1	Transformers	30
2	Economisers in Boilers in the Captive Power Plant; Turbines, Generators, Sluice Gates, Switchgears and Cables in Hydel Plant.	25
3	Electrical Components like Panels, Motors , Insulators which are components of Plant and Machinery	10
4	Economisers in Boilers and Water pre-heater in Waste Heat Recovery Plant; Evaporators in the Captive thermal Power Plant	5

v. Impairment:

Recognizing Impairment does not require for financial assets classified at fair value through profit and loss (FVTP&L) and fair value through other comprehensive income (FVTOCI). It is required only in respect of financial assets classified as amortized cost i.e. Loans, Debt securities and trade receivables. Impairment for such financial assets is recognized by Expected credit loss (ECL) model. In this approach expected credit loss means expected shortfall in contractual cash flows. The estimation of ECL should consider past events, current conditions and reasonable & supportable forecasts. Expected credit loss (ECL) for trade receivable is measured at Lifetime ECL.

The amount of ECL required during the period is arrived after considering the already recognized ECL in books and it is reported either as expense or income in statement of profit& loss.

vi. Financial Instruments: -

a. Initial Recognition:

The group recognises financial assets and financial liabilities when it becomes a party to the contractual

provisions of the instruments. All financial assets and liabilities are recognised at fair value on initial recognition, except for trade receivables which are directly measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities that are not at fair value through profit or loss, are added to the fair value on initial recognition.

b. Subsequent Recognition & Classification : Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows, and the contractual terms of the financial asset gives rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial asset and contractual terms of the financial asset give rise on specified dates to cash flows that solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

Financial liabilities:

Financial liabilities are subsequently carried at amortised cost using the effective interest method.

Impairment: -

The Group recognizes loss allowances using the expected credit loss (ECL) model for financial assets and unbilled revenues which are not fair valued through profit or loss. Loss allowance for trade receivables and unbilled revenue with no significant finance component is measured at an amount equal to lifetimeECL using provision matrix as shown below. This estimation of ECL should consider past events, current conditions and reasonable & supportable forecasts. For all other financial assets, expected credit loss are measured at an amount equal to 12-month ECL unless there is

significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

The amount of expected credit loss (or reversal) that is required to adjust the loss allowance at the reporting date is recognized as impairment gain or loss in the statement of profit or loss.

De-recognition of financial assets and liabilities:
Financial assets:

A financial asset shall be derecognised when, and only when

- the contractual rights to the cash flows from the financial asset expire, or
- it transfers the financial asset and the transfer qualifies for de-recognition. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the consideration received shall be recognised in profit or loss.

Financial Liabilities: A financial liability shall be derecognised when, and only when, obligation specified in the contract is discharged or cancelled or expires. The difference between the carrying amount of a financial liability extinguished or transferred and consideration paid shall be recognised in profit or loss.

vii. Inventories

Inventories are valued at the lower of cost and estimated net realisable value (net of allowances) after providing for obsolescence and other losses, where considered necessary. The cost comprises cost of purchase, cost of conversion and other costs including appropriate production overheads in the case of finished goods and work-in-progress, incurred in bringing such inventories to their present location and condition. Trade discounts or rebates are deducted in determining the costs of purchase. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. The cost (net of taxes subsequently recoverable from tax authorities) of raw materials, stores & spares is determined on moving weighted average basis.

viii. Cash And Cash Equivalents:

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions/banks, other short-term, highly liquid investments with original maturities of three months

or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

ix. Cash flow Statement:

Cash flows are reported using the indirect method, whereby the profit for the period is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the group are segregated.

x. Foreign Exchange Transactions:

Functional Currency of the group is Indian Rupee and the Subsidiary KCP VIL is Vietnamese Dongs (VND) These financial statements are presented in Indian Rupees, rounded off to Lakhs. Transactions and translations: Transactions in foreign currency are initially accounted at the exchange rate prevailing on the date of the transaction and adjusted appropriately with the difference in the rate of exchange arising on actual receipt/payment during the year in determining net profit for the period.

- Foreign currency denominated monetary assets/ liabilities- are translated into the relevant functional currency at exchange rates in effect at the balance sheet date. The gains or losses resulting from such translations are included in net profit in the statement of profit and loss.
- Foreign currency denominated non-monetary assets/ non-liabilities are translated at the exchange rate prevalent at the date of the transaction.
- Exchange differences arising on settlement of transactions and translation of monetary items are recognised as income or expenses in the year in which they are arise.

xi. Income tax:

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in the net profit in the statement of profit or loss except to the extent that it relates to items recognized in Other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantially enacted by the

balance sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that is no longer probable that related tax benefits will be realized.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized, or the deferred income tax liability is settled.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Where The Group is entitled to claim special tax deductions for investments in qualifying assets or in relation to qualifying expenditure, The Group accounts for such allowances as tax credits, which means that the allowance reduce income tax payable and current tax expense. A deferred tax asset is recognized for unclaimed tax credits that are carried forward as deferred tax assets.

xii. Earnings Per Share

The Group Basic EPS is calculated by dividing profit or loss from continuing operations attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the period as per IND AS-33, Earnings per Share.

The diluted EPS of an entity is calculated on the same basis as basic EPS, after adjusting for the effects of dilutive potential ordinary shares unless the effect of the potential dilutive equity shares is anti-dilutive.

xiii. Provisions/ Contingent Liabilities and Contingent Assets

Contingent liabilities:

Provision:

A provision is recorded when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated. Provisions will be reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources

embodying economic benefits will be required to settle the obligation, the provision shall be reversed. The estimated liability for product warranties is recorded when products are sold based on technical evaluation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. Provisions are discounted when time value of money is material. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expenses.

Contingent liabilities:

Contingent liability is recognised when it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future uncertain events not wholly within the control of the company, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Onerous contracts:

Onerous contract is a contract in which the unavoidable cost of meeting the obligations under the contract exceed the economic benefits expected to be received under it. Company estimates and provides provision at the lower of the following for onerous contracts.

- a) Net Cost of fulfilling the contract; or
- b) Compensation, penalties arising from the failure to fulfil it i.e. Cost of terminating the contract.

Contingent assets:

Wherever there is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A contingent asset is disclosed when the inflow of economic benefit is probable.

xiv. Leases :

The Company's lease asset consists of lease for Land, buildings and vehicles. The Company assesses

whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low value assets.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present

value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is re-measured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The re-measurement normally also adjusts the leased assets.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

xv. Segment reporting:

Operating segments are defined as components for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. The group has identified business segments as reportable segments. The business segments comprise 1) Cement unit. 2) Engineering Unit. 3) Power Generation unit 4) Hotel and 5) Sugar.

Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly attributable to each reporting segment have been allocated on the basis of associated revenue of the segment. All other expenses which are not attributable or allocable to segments have been disclosed as un-allocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as un-allocable. Property, Plant and equipment that are used interchangeably among segments are not allocated to reportable segments.

(Rs.in Lakhs)

Note : 2 The changes in the carrying values of Property, Plant and Equipment for the year ended March 31, 2022 are as follows

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK			
	COST AS ON 31-03-2021	ADDITION DURING THE YEAR	DEDUCTION DURING THE YEAR	EXCHANGE FLUCTUATION ON OPENING BLOCK OF FOREIGN SUBSIDIARY	COST UPTO 31-03-2022	EXCHANGE FLUCTUATION ON FOREIGN SUBSIDIARY	UPTO 31-03-2021	DURING THE YEAR	ON DEDUCTIONS	UPTO 31-03-2022	AS AT 31-03-2021	AS AT 31-03-2022
	Rs.	Rs.										
1 Lands	4,675.92	1.02	-	-	4,676.94	-	-	-	-	-	4,676.94	4,675.92
2. (a) Buildings	22,904.27	996.47	2.70	388.15	24,286.19	135.22	4,805.39	798.95	1.56	5,738.00	18,548.20	18,098.88
(b) Leasehold Buildings	8.93	-	-	-	8.93	-	1.21	0.24	-	1.45	7.48	7.72
3 Roads	226.30	76.03	-	-	302.33	-	148.35	22.65	-	171.00	131.33	77.95
4 Plant & Machinery	1,26,730.26	2,425.63	57.99	2,107.78	1,31,205.68	1,306.41	44,487.48	7,501.95	20.41	53,275.42	77,930.26	82,242.78
5 Furniture, Fixtures	2,010.77	54.82	0.62	3.60	2,068.58	3.60	1,268.09	196.22	0.33	1,467.58	601.00	742.68
6 Motor Vehicles	1,271.10	121.18	10.57	12.30	1,394.01	10.93	878.83	97.90	10.10	977.55	416.46	392.28
7 Railway Siding, Locomotives	32.53	-	-	-	32.53	-	15.75	2.19	-	17.94	14.59	16.78
8 Ropeway Structures	176.52	208.50	92.43	-	292.59	-	167.43	36.84	23.10	181.17	111.42	9.09
9 Office Equipment	269.44	18.90	0.19	6.59	294.75	6.67	226.93	14.89	0.14	248.35	46.40	42.51
10 Computer & Data Processing Units	355.96	42.25	0.29	-	397.92	-	274.53	30.81	0.27	305.08	92.85	81.42
11 Laboratory Equipment	41.68	0.15	-	-	41.82	-	27.40	2.04	-	29.44	12.38	14.28
12 Electrical Installation & Equipment	2,785.09	25.73	2.94	-	2,807.88	-	1,510.57	228.18	2.49	1,736.26	1,071.61	1,274.52
13 Hydraulic Works, Pipeline & Sluices	91.30	-	-	-	91.30	-	28.53	6.25	-	34.78	56.52	62.78
14 Patents	-	-	-	-	-	-	-	-	-	-	-	-
Group companies	-	-	-	-	-	-	-	-	-	-	-	-
14 Leased Lands (Decommissioning)	1,155.88	365.52	-	-	1,521.40	-	143.44	103.03	-	246.46	1,274.94	1,012.45
15 Leased Lands (Right of Use)	-	-	-	-	-	-	-	-	-	-	-	-
Total	1,62,735.96	4,336.20	167.72	2,518.43	1,69,422.87	1,462.83	53,983.93	9,042.13	58.40	64,430.49	1,04,992.38	1,08,752.02

(Rs.in Lakhs)

Note.2.B LEASED ASSETS - RIGHT OF USE	GROSSBLOCK					DEPRECIATION					NETBLOCK	
	COST AS ON 31-03-2021	ADDITION DURING THE YEAR	DEDUCTION DURING THE YEAR	EXCHANGE FLUCTUATION ON OPENING BLOCK OF FOREIGN SUBSIDIARY	COST UPTO 31-03-2022	EXCHANGE FLUCTUATION ON FOREIGN SUBSIDIARY	COST AS ON 31-03-2021	ADDITION DURING THE YEAR	DEDUCTION DURING THE YEAR	COST UPTO 31-03-2022	AS AT 31-03-2022	AS AT 31-03-2021
1 Lands	157.74	-	-	-	157.74	-	0.79	2.72	-	3.50	154.24	156.95
2 Buildings	251.17	-	-	-	251.17	-	161.44	17.28	-	178.72	72.45	89.73
3 Vehicles	26.88	-	1.49	-	25.39	-	16.43	8.96	-	25.39	-	10.45
Total	435.79	-	1.49	-	434.30	-	178.65	28.95	-	207.61	226.69	257.14
Total (2+2B)	1,63,171.75	4,336.20	169.21	25,118.43	1,69,857.17	1,462.83	54,162.58	9,071.08	58.40	64,638.10	1,05,219.07	1,09,009.16

Note.4 INVESTMENT PROPERTY

Particulars	GROSSBLOCK					DEPRECIATION					NETBLOCK	
	COST AS ON 31-03-2021	ADDITIONS DURING THE YEAR	DEDUCTIONS DURING THE YEAR	EXCHANGE FLUCTUATION ON OPENING BLOCK OF FOREIGN SUBSIDIARY	COST UPTO 31-03-2022	EXCHANGE FLUCTUATION ON FOREIGN SUBSIDIARY	COST AS ON 31-03-2021	DEPRECIATION DURING THE YEAR	DEPRECIATION ON DEDUCTIONS	COST UPTO 31-03-2022	AS AT 31-03-2022	AS AT 31-03-2021
1 Lands	0.47	-	0.47	-	-	-	-	-	-	-	-	0.47
Total	0.47	-	0.47	-	-	-	-	-	-	-	-	0.47

(Rs.in Lakhs)

Note. 5 INTANGIBLE ASSETS	GROSSBLOCK					DEPRECIATION				NETBLOCK		
	COST AS ON 31-03-2021	ADDITION DURING THE YEAR	DEUCTION DURING THE YEAR	EXCHANGE FLUCTUATION ON OPENING BLOCK OF FOREIGN SUB- SIDIARY	COST UPTO 31-03-2022	EXCHANGE FLUCTU- ATION ON FOREIGN SUBSIDIARY	COST AS ON 31-03-2021	ADDITION DURING HE YEAR	DEUCTION DURING THE YEAR	COST UPTO 31-03-2022	AS AT 31-03-2022	AS AT 31-03-2021
1 Computer Software	765.28	35.69	-	0.77	800.20	0.77	214.15	48.34	-	261.72	538.48	551.13
Total	765.28	35.69	-	0.77	800.20	0.77	214.15	48.34	-	261.72	538.48	551.13
GRAND TOTAL FOR FY 2021+22	1,63,937.50	4,371.90	169.68	2,519.21	1,70,657.37	1,463.60	54,376.74	9,119.43	58.40	64,899.82	1,05,757.55	1,09,560.76
TOTAL FOR FY 2020-21	1,63,490.27	1,620.63	329.02	844.39	1,63,937.50	446.18	45,462.65	9,490.45	130.18	54,376.74	1,09,560.76	1,18,027.62

* Depreciation for the year includes an amount of Rs. 1.67 lakhs capitalized. (Depreciation capitalized during the previous year : Rs 0.56 lakhs)

** During the year an amount of Rs. 329.91 lakhs (previous year: Rs. 318.88 lakhs) has been adjusted against scientific and Technology Development Fund.

*** Company's Land located at Gujarat has been reclassified from Investment Property to "Asset Held for Sale" under Non-Current Asset, as it is proposed to be disposed within a year.

**** Building of the Company located in Delhi has been reclassified under PPE from Investment property category as the Building is being used for Business purposes.

***** Market Value of Investment Property as on 31.03.2021 is Rs.25 lakhs.

Additional Regulatory Information:

1. Property of value Rs 1.67 Lakhs situated at flat no.406, 4th floor, Ansal Chamber-2, New Delhi was purchased in 1986 and the company entered into agreement for sale, pending registration. This property is in the possession of the company and paying municipal taxes since beginning.
2. One parcel of Land value of Rs 180/- to the extent of 25 cents was registered by District Civil Court Gurajala, mentioning survey number. 1026/B2 instead of 1027/3. This property is in the possession of the company. Necessary correction is being initiated to rectify the survey number.

(Rs in Lakhs)

Note : 2 Property, Plant and Equipment for the year ended March 31, 2021 consist as the following:

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK			
	COST AS ON 31-03-2020	ADDITION DURING THE YEAR	DEDUCTION DURING THE YEAR	EXCHANGE FLUCTUATION ON OPENING BLOCK OF FOREIGN SUBSIDIARY	COST UPTO 31-03-2021	EXCHANGE FLUCTUATION ON FOREIGN SUBSIDIARY	UPTO 31-03-2020	DURING THE YEAR	ON DEDUCTIONS	UPTO 31-03-2021	AS AT 31-03-2021	AS AT 31-03-2020
1 Lands	Rs. 4,674.71	Rs.			4,674.71					-	4,674.71	4,674.71
2. (a) Buildings	22,642.27	393.09	-	129.89	22,905.48	40.26	4,040.56	805.09		4,805.39	18,100.09	18,601.71
(b) Leasehold Buildings	8.93				8.93		0.97	0.24		1.21	7.72	7.96
3 Roads	208.28	18.02			226.30		130.20	18.15		148.35	77.95	78.08
4 Plant & Machinery	1,27,009.20	709.48	281.78	706.65	1,26,730.26	398.76	37,206.97	7,790.39	111.12	44,487.48	82,242.78	89,802.22
5 Furniture, Fixtures	1,945.81	68.21	2.04	1.21	2,010.77	1.21	1,032.65	237.48	0.82	1,268.09	742.68	913.17
6 Motor Vehicles	1,265.32	10.50	0.58	4.15	1,271.10	3.48	778.81	103.98	0.49	878.83	392.28	486.51
7 Railway Siding, Locomotives	32.53				32.53		12.61	3.15		15.75	16.78	19.93
8 Ropeway Structures	176.52				176.52		167.43	-		167.43	9.09	9.09
9 Office Equipment	255.72	16.38	0.43	2.22	269.44	2.22	207.91	21.51	0.28	226.93	42.51	47.85
10 Computer & Data Processing Units	341.80	15.86	1.70		355.96		238.85	37.31	1.62	274.53	81.42	102.93
11 Laboratory Equipment	35.08	6.60	-		41.68		23.06	4.35		27.40	14.28	12.03
12 Electrical Installation & Equipment	2,747.15	41.41	3.47		2,785.09		1,217.09	296.02	2.54	1,510.57	1,274.52	1,530.06
13 Hydraulic Works, Pipeline & Sluices	82.41	8.89			91.30		22.77	5.76		28.53	62.78	59.64
14 Leased Lands (Decommissioning)	977.51	210.24	31.87		1,155.88		102.97	53.78	13.31	143.44	1,012.45	874.54
Total	1,62,403.27	1,498.68	321.87	844.12	1,62,735.96	445.92	45,182.84	9,377.20	130.18	53,983.93	1,08,752.02	1,17,220.43

(Rs.in Lakhs)

Note.2.B LEASED ASSETS - RIGHT OF USE	GROSSBLOCK						DEPRECIATION						NETBLOCK	
	COST AS ON 31-03-2020	ADDITIONS DURING THE YEAR	DEDUCTIONS DURING THE YEAR	EXCHANGE FLUCTUATION ON OPENING BLOCK OF FOREIGN SUBSIDIARY	COST UPTO 31-03-2021	EXCHANGE FLUCTUATION ON FOREIGN SUBSIDIARY	COST AS ON 31-03-2020	ADDITION DURING THE YEAR	DEDUCTION DURING THE YEAR	COST UPTO 31-03-2021	AS AT 31-03-2021	AS AT 31-03-2020		
1 Lands	37.02	120.72			157.74		0.39	0.39	0.79	156.95	36.63			
2 Buildings	258.32		7.15		251.17		104.66	56.78	161.44	89.73	153.67			
3 Vehicles	26.88				26.88		7.47	8.96	16.43	10.45	19.41			
Total	322.22	120.72	7.15	-	435.79	-	112.52	66.13	178.65	257.14	209.71			
Total (2+2B)	1,62,725.49	1,619.41	329.02	844.12	1,63,171.75	445.92	45,295.36	9,443.33	54,162.59	1,09,009.16	1,17,430.14			

Note.4 INVESTMENT PROPERTY	GROSSBLOCK						DEPRECIATION						NETBLOCK	
	COST AS ON 31-03-2020	ADDITIONS DURING THE YEAR	DEDUCTIONS DURING THE YEAR	EXCHANGE FLUCTUATION ON OPENING BLOCK OF FOREIGN SUBSIDIARY	COST UPTO 31-03-2021	EXCHANGE FLUCTUATION ON FOREIGN SUBSIDIARY	COST AS ON 31-03-2020	DEPRECIATION DURING THE YEAR	DEPRECIATION ON DEDUCTIONS	COST UPTO 31-03-2021	AS AT 31-03-2021	AS AT 31-03-2020		
1 Lands	0.47	-	-	-	0.47	-	-	-	-	0.47	0.47			
Total	0.47	-	-	-	0.47	-	-	-	-	0.47	0.47			

(Rs.in Lakhs)

Note. 5 INTANGIBLE ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK			
	COST AS ON 31-03-2020	ADDITION DURING THE YEAR	DEUC-TION DURING THE YEAR	EXCHANGE FLUCTU-ATION ON OPENING BLOCK OF FOREIGN SUBSIDIARY	COST UPTO 31-03-2021	EXCHANGE FLUCTU-ATION ON FOREIGN SUBSIDIARY	COST AS ON 31-03-2020	ADDITION DURING THE YEAR	DEDUCTION DURING THE YEAR	COST UPTO 31-03-2021	AS AT 31-03-2021	AS AT 31-03-2020
1 Computer Software	764.32	1.23		0.26	765.28	0.26	167.30	47.12	-	214.15	551.13	597.02
Total	764.32	1.23	-	0.26	765.28	0.26	167.30	47.12	-	214.15	551.13	597.02
GRAND TOTAL FOR FY 2020-21	1,63,490.27	1,620.63	329.02	844.39	1,63,937.50	446.18	45,462.65	9,490.45	130.18	54,376.74	1,09,560.76	1,18,027.63
TOTAL FOR FY 2019-20	1,52,765.72	8,282.21	666.75	3,109.08	1,63,490.26	1,471.23	34,182.47	9,868.86	59.93	45,462.64	1,18,027.62	1,18,583.25

Depreciation for the year includes an amount of Rs.0.56 lakhs capitalized.(Depreciation capitalized during the previous year : NIL)

During the year an amount of Rs. 318.88 lakhs (previous year: Rs. 259.79 lakhs) has been adjusted against scientific and Technology Development Fund.

(Rs in Lakhs)

Note.3 Capital Work-in-Progress	As at 31-03-2022	As at 31-03-2021
1 BUILDING UNDER CONSTRUCTION		
Opening Balance	984.04	1,015.93
Additions during the year (net)	333.98	511.54
Less : Capitalisation during the year (net)	(1,129.58)	(543.43)
Closing Balance	188.44	984.04
2 PLANT & MACHINERY UNDER INSTALLATION		
Opening Balance	1,328.96	523.55
Additions during the year (net)	1,078.45	1,357.97
Less : Capitalisation during the year (net)	(1,751.85)	(552.56)
Closing Balance	655.57	1,328.96
Total	844.01	2,313.01

FY 2021-2022

Particulars	Amount in CWIP for a period of				
	Less than 1 Year	1 Year - 2 Years	2 Year - 3Years	More than 3 Years	Total
(i) Projects in Progress	421.82	174.23	97.33	150.63	844.01
(ii) Projects temporarily Suspended	-	-	-	-	-
Total	421.82	174.23	97.33	150.63	844.01

FY 2020-2021

Particulars	Amount in CWIP for a period of				
	Less than 1 Year	1 Year - 2 Years	2 Year - 3Years	More than 3 Years	Total
(i) Projects in Progress	1,344.60	618.37	190.63	159.41	2,313.01
(ii) Projects temporarily Suspended	-	-	-	-	-
Total	1,344.60	618.37	190.63	159.41	2,313.01

The Cement Packing Terminal Project at Arakkonam with CWIP of Rs 928.46 Lakhs as on 31/03/2021, which was expected to be commissioned in FY 2020-21, has been delayed due to Covid-19 (non-availability of labour and delayed supplies by equipment manufacturers). The Project was commissioned in FY 2021-22. Original Outlay for the Project was Rs. 1,125 lakhs. The Project has been commissioned with total project cost of Rs. 1,473.67 Lakhs.

Note.6 Non current Financial Assets- Investments	As at 31-03-2022	As at 31-03-2021
Unquoted Equity instruments-Investments measured at cost		
Investment in Joint Venture:		
4,00,000 (31 March 2021: 4,00,000) equity shares of Rs.10/- each, fully paid up in Fivescail KCP Ltd.,	663.09	617.72
Common Stock (unquoted):		
1,640 (31 March 2021: 1,640) Non-Voting common stock of BGE Global Inc., par value \$0.01 per share	77.00	77.00
Preferred Shares (unquoted):		
750 (31 March 2021: 750)Non-Voting preferred stock of BGE Global Inc., par value \$0.01 per share.	385.00	385.00
Subtotal	1,125.09	1,079.71
Investments at fair value through other comprehensive income		
investment in equity instruments(quoted):		
100 (31st March 2021: 100) equity shares of Rs.10/- each, fully paid up in IFCI Ltd.	0.01	0.01
14,240 (31st March 2021: 14,240) equity shares of Rs.10/- each, fully paid up in IDBI Bank	6.09	5.49
Equity shares (unquoted):		
30 (31st March 2021: 30) equity shares of Rs. 10/- each fully paid up in Andhra Pradesh Heavy Machinery and Engg. Co.Ltd (Written off to the extent of Rs. 299/-)	-	-
100000 (31st March 2021: 100000) equity shares of Rs. 10/- each fully paid up in Prudential Sugar Corporation Ltd., (Written off to the extent of Rs. 9,99,999/-) (The Shares are not traded in the Stock Exchange though listed).	-	-
Other Investments - Unit Trust of India - Quoted:		
42,002.734 (31st March 2021 : 39,696.571) UTI Balanced Fund Units. of Rs.10/- each	13.80	11.66
Sub Total	19.90	17.16
Total	1,144.99	1,096.88
Aggregate amount of quoted Investments - Market Value	19.90	17.16
Aggregate amount of quoted Investments - Book Value (cost)	15.54	15.54
Aggregate amount of unquoted Investments	1,125.09	1,079.71
Aggregate amount of impairment in value of Investments	-	-

(Rs in Lakhs)

Note. 6.1 Category wise Investment- as per IND AS 109 classification	As at 31-03-2022	As at 31-03-2021
Financial assets carried at cost		
Equity Instruments	1,125.09	1,079.71
Debt Instruments		-
Financial assets carried at amortised cost		
Equity Instruments		
Financial assets carried at fair value through Profit or loss (FVTPL)		
Equity Instruments		
Financial assets carried at fair value through OCI (FVTOCI)		
Equity Instruments	19.90	17.16
Total	1,144.99	1,096.88

Note.7 Non Current Financial Assets- Trade Receivables	As at 31-03-2022	As at 31-03-2021
Unsecured, considered good	215.61	569.48
Receivables having Significant increase in credit risk	63.12	71.38
	278.73	640.86
Less: Provision for Doubtful Receivables	-	24.86
Less : Provision for expected credit loss	63.12	71.38
Total	215.61	544.62

Non Current Trade Receivables Aeging Schedule:

F.Y 2021-22

Particulars	Outstanding for following periods from due date payment						Total
	Not Due	Less than 6 months	6 months- 1 Year	1 Year - 2 Years	2 Year - 3Years	More than 3 Years	
(i) Undisputed trade receivables-Considered Good	215.61	-	-	-	-	-	215.61
(ii) Undisputed trade receivables-which have significant increase in credit risk	-	-	-	-	63.12	-	63.12
(iii) Undisputed trade receivables-credit impaired	-	-	-	-	-	-	-
(iv) Disputed trade receivables-Considered Good	-	-	-	-	-	-	-

Particulars	Outstanding for following periods from due date payment						Total
	Not Due	Less than 6 months	6 months- 1 Year	1 Year - 2 Years	2 Year - 3Years	More than 3 Years	
(v) Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables-credit impaired	-	-	-	-	-	-	-
Total	215.61	-	-	-	63.12	-	278.73
Less: Provison for doubtful debts							-
Less: Provison for expected credit loss							63.12
Total							215.61

F.Y 2020-21

Particulars	Outstanding for following periods from due date payment						Total
	Not Due	Less than 6 months	6 months- 1 Year	1 Year - 2 Years	2 Year - 3Years	More than 3 Years	
(i) Undisputed trade receivables-Considered Good	569.48	-	-	-	-	-	569.48
(ii) Undisputed trade receivables-which have significant increase in credit risk	-	-	-	71.38	-	-	71.38
(iii) Undisputed trade receivables-credit impaired	-	-	-	-	-	-	-
(iv) Disputed trade receivables-Considered Good	-	-	-	-	-	-	-
(v) Disputed trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables-credit impaired	-	-	-	-	-	-	-
Total	569.48	-	-	71.38	-	-	640.86
Less: Provison for doubtful debts							24.86
Less: Provison for expected credit loss							71.38
Total							544.62

(Rs in Lakhs)

Note.8 Non current- Other Financial Assets	As at 31-03-2022	As at 31-03-2021
Earnest money deposit	4.50	12.14
Bank deposits with maturity more than 12 months	6,733.30	782.25
Total	6,737.80	794.40

Note.9 Non current- Other asset	As at 31-03-2022	As at 31-03-2021
Capital Advances	15.82	25.02
[A]	15.82	25.02
Advances other than Capital Advances		
Security Deposits	165.28	194.17
(B)	165.28	194.17
Others		
Prepaid expenses	26.29	13.64
Balance with Government Authorities	899.92	767.51
Others	0.39	0.39
(C)	926.60	781.54
Total [A+B+C]	1,108	1,001

Note.10 Inventories	As at 31-03-2022	As at 31-03-2021
Raw materials and components at Cost (includes those in transit Rs. 62.59 lakhs-) (As on 31-03-2021- Rs. 16.72 lakhs)	1,111.87	580.49
Coal At Cost (includes those in transit Rs. 109.34 lakhs-) (As on 31-03-2021- Rs. 1422.72 lakhs)	3,658.78	2,965.90
Work-in-progress		
: At Cost	6,888.79	4,196.32
: At Estimated Realisable Value	1,667.45	1,082.79
Finished goods		
: At Cost (includes in transit Rs.243.65 lakhs) (As on 31-03-2021 - Nil)	16,730.36	12,569.67
: At Estimated Realisable Value	-	-
Stores, spares and Coal at Cost (includes in transit Rs. 8.34 lakhs) (As on 31-03-2021 Rs. 3.84 lakhs)	5,941.19	6,443.04
Total	35,998.43	27,838.21

The cost of inventories is recognised as an expense during the year in respect of continuing operation was Rs. 65,433.13 lakhs for year ended 31-03-2022 (Rs. 56,455.58 lakhs for the year ended 31-03-2021).

The Amount of Write down of inventories to Net Realisable Value recognised as an expense was Rs.374.72 Lakhs (Rs 213.32 Lakhs for the year ended 31-03-2021). The mode of valuation of Inventories has been stated in accounting policy VII of Note1.5

The amount of goods in transit is Rs. 423.92 lakhs (Rs. 1443.28 lakhs for previous year)

Note.11 Current- Trade receivables	As at 31-03-2022	As at 31-03-2021
Secured, considered good	4,121.78	4,209.30
Unsecured, considered good	7,283.63	7,356.87
Less: Provison for doubtul debts	5.10	-
Less : Provision for expected credit loss	8.96	10.79
Total	11,391.35	11,555.37

**Current Trade Receivables Aeging Schedule:
For the year 2021-22**

Particulars	Outstanding for following periods from due date payment						Total
	Not Due	Less than 6 months	6 months- 1 Year	1 Year - 2 Years	2 Year - 3Years	More than 3 Years	
(i) Undisputed trade receivables- Considered Good	1,878.57	7,682.16	1,384.37	106.68	143.35	106.45	11,301.58
(ii) Undisputed trade receivables-which have significant increase in credit risk	8.73	56.29	-	-	-	-	65.02
(iii) Undisputed trade receivables-credit impaired							-
(iv) Disputed trade receivables- Considered Good	-	-	-	-	-	23.81	23.81
(v) Disputed trade receivables-which have significant increase in credit risk							-
(vi) Disputed trade receivables-credit impaired							-
Total	1,887.30	7,738.45	1,384.37	106.68	143.35	130.26	11,390.41
Add: To be billed							9.89
Less: Provison for expected credit loss							8.96
Total							11,391.35

For the year 2020-21

Particulars	Outstanding for following periods from due date payment						Total
	Not Due	Less than 6 months	6 months- 1 Year	1 Year - 2 Years	2 Year - 3Years	More than 3 Years	
(i) Undisputed trade receivables-Considered Good	2,276.41	8,228.38	686.56	155.20	157.65	38.16	11,542.36
(ii) Undisputed trade receivables-which have significant increase in credit risk							-
(iii) Undisputed trade receivables-credit impaired							-
(iv) Disputed trade receivables-Considered Good	-	-	-	-	-	23.81	23.81
(v) Disputed trade receivables-which have significant increase in credit risk							-
(vi) Disputed trade receivables-credit impaired							-
Total	2,276.41	8,228.38	686.56	155.20	157.65	61.97	11,566.17
Add: To be billed							-
Less: Provision for expected credit loss							10.79
Total							11,555.37

Note 12 Cash and cash equivalents	As at 31-03-2022	As at 31-03-2021
Cash and Cash Equivalents :		
Balances with Banks:		
On current accounts	345.08	275.61
Deposits with original maturity of less than 3 months	-	-
Cheques/drafts on hand	20.10	21.93
Cash on hand	17.59	11.60
Total	382.78	309.13

Note 12A Bank balances other than Cash and Cash equivalents	As at 31-03-2022	As at 31-03-2021
Fixed Deposits with Banks (Maturity less than 12 months)*	55,124.15	41,855.21
Balances with banks maintained as required under the Companies Act in respect of Public deposits	744.00	894.00
Balance with banks for Unpaid dividend account	229.28	196.91
Margin money deposit for Bank Guarantees & Letters of credit	721.72	620.50
Balances with banks for public deposits	0.50	0.50
Total	56,819.65	43,567.11

*Fixed deposits with Banks includes those maintained as required under the Companies Act in respect of Public deposits

Note 13. Current- Other Financial Assets	As at 31-03-2022	As at 31-03-2021
Interest accrued on fixed Deposits	14.28	32.22
Interest accrued on other Deposits	14.07	11.83
Staff Advances	30.79	35.80
Due from Gratuity Trusts	2.52	-
Non trade receivables From - Joint Venture	0.82	-
- Others	-	0.04
Contract Assets	1,171.31	456.45
Others - Employee Benefit Plan	31.61	-
Total	1,265.41	536.35

Note 14. Current Tax Assets (Net)	As at 31-03-2022	As at 31-03-2021
Advance tax		
Advance payment of Direct Taxes/TDS/TCS Credit	6,353.84	5,550.38
Provision for Tax		
Provision for Income tax	5,556.93	4,312.84
Total	796.91	1,237.55

Note 15. Other Current Assets	As at 31-03-2022	As at 31-03-2021
Advances other than Capital Advances		
Security Deposits	116.25	-
(A)	116.25	
Other Advances		
Advances recoverable in cash or kind		
Unsecured, considered good	4,539.90	3,136.64
Advances to Trade payables	6,262.19	2,818.67
Prepaid expenses	525.12	367.97
Balance with government Authorities	4,278.91	4,223.11
(B)	15,606.12	10,546.39
Total (A+B)	15,722.37	10,546.39

Note:15A Assets Held for Sale	As at 31-03-2022	As at 31-03-2021
Land	0.47	-
Total	0.47	-

The Asset held for sale is the land of the company located at Gujarat to be disposed within a year.

(Rs in Lakhs)

Note.16 Share Capital	As at 31-03-2022	As at 31-03-2021
Authorised Share Capital:		
35,00,00,000 (31 March 2021 : 35,00,00,000) Equity shares of Rs.1/- each	3,500.00	3,500.00
2,00,00,000(31 March 2021 : 2,00,00,000) 12% Redeemable cumulative	2,000.00	2,000.00
	5,500.00	5,500.00
Issued Share Capital:		
12,89,77,480 (31 March 2021 : 12,89,77,480) Equity shares of Rs.1/- each	1,289.77	1,289.77
	1,289.77	1,289.77
Subscribed and fully paid-up :		
12,89,21,160 (31 March 2021 :12,89,21,160) Equity shares of Rs.1/- each	1,289.21	1,289.21
Total issued, subscribed and fully paid-up capital	1,289.21	1,289.21

Note 16.1) Details of shareholders holding more than 5% share in the company:

1. M/s. V. Ramakrishna Sons Pvt Ltd - 3,89,56,326 (3,89,56,326) equity shares of Rs.1/- each fully paid - 30.22% (30.22%)
2. Dr. V.L. Indira Dutt - 99,69,901 (98,87,101) equity shares of Rs 1/- each fully paid- 7.73% (7.67%)

Note 16.2) The reconciliation of the Opening and closing balance of the Subscribed and Paid-up equity & Preference shares of the company is set out below:

Particulars	For FY 2021-22	For FY 2020-21
Equity Share Capital at the beginning of the Year	1,289.21	1,289.21
Add/Less : Changes during during the year	-	-
Equity Share Capital at the end of the Year	1,289.21	1,289.21

The Company has only one class of equity shares referred to equity shares having a par value of Rs.1. Each holder of equity share is entitled to one vote per each share. In the event of liquidation of company, the holder of equity share will be entitled to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to the number of equity shares held by the share holders.

Note 16.3 Disclosure of Share Holding of Promoters

(Rs in Lakhs)

Promoter Name	No of Shares as on 31.03.2022	% of Holdings	% change during the year
V Ramakrishna Sons (P) Limited	3,89,56,326	30.22	0.00
Velagapudi Lakshmana Indira Dutt	99,69,901	7.73	0.06
VRK Grandsons Investments (P) Limited	42,49,193	3.30	0.00
Velagapudi Kavitha Dutt	13,60,000	1.05	0.00
Shivani Dutt Chitturi	13,50,000	1.05	0.00
Velagapudi Lakshmana Dutt (HUF)	1,13,500	0.09	0.00
Irmgard Velagapudi	1,52,490	0.12	0.00
S. Nalini	1,93,874	0.15	0.14
R Prabhu	62,880	0.05	0.00
Rajeswary Ramakrishnan	6,500	0.01	0.00
Anitha	4,000	0.00	0.00
Kiran Velagapudi	4,220	0.00	0.00
Sivaramakrishnan Prasad	12,650	0.01	0.00
S Rajiv Rangasami	50,000	0.04	(0.01)
P Vikram Ramakrishnan	12,655	0.01	0.00
Uma S Vallabhaneni	10,000	0.01	0.00
Subbarao Vallabhaneni	1,16,130	0.09	0.00

Promoter Name	No of Shares as on 31.03.2021	% of Holdings	% change during the year
V Ramakrishna Sons (P) Limited	3,89,56,326	30.22	0.00
Velagapudi Lakshmana Indira Dutt	98,87,101	7.67	4.88
V. R. K. Grandsons Investment (P) Limited.	42,49,193	3.30	0.00
Velagapudi Kavitha Dutt	13,60,000	1.05	0.05
Shivani Dutt Chitturi	13,50,000	1.05	0.04
Velagapudi Lakshmana Dutt (HUF)	1,13,500	0.09	0.00
Velagapudi Lakshmana Dutt	0	0.00	(4.67)
The Jeypore Sugar Company Limited	0	0.00	(0.22)
Irmgard Velagapudi	1,52,490	0.12	0.00
S. Nalini	11,250	0.01	0.00
R Prabhu	62,880	0.05	0.00
Rajeswary Ramakrishnan	6,500	0.01	0.00
Anitha	4,000	0.00	0.00
Uma S Vallabhaneni	10,000	0.01	(0.12)
Kiran Velagapudi	4,220	0.00	0.00
Sivaramakrishnan Prasad	12,650	0.01	0.00
S. Rajiv Rangasami	58,327	0.05	(0.24)
P Vikram Ramakrishnan	12,655	0.01	0.00
Subbarao Vallabhaneni	1,16,130	0.09	0.03

Note 17. Other Equity	As at 31-03-2022	As at 31-03-2021
Capital Reserve		
Capital Redemption Reserve		
Balance as per the last Financial Statements	2,000.00	2,000.00
Capital Reserve On Reorganisation	279.91	279.91
<u>Translation Reserve</u>		
Balance as per the last Financial Statements	2,890.76	3,172.19
Additions/(Deletions) during the year	1,221.78	(281.43)
	4,112.54	2,890.76
<u>Capital Reserve</u>		
Balance as per the last Financial Statements	9,015.16	9,223.41
Additions/(Deletions) during the year	617.90	(208.25)
	9,633.06	9,015.16
On Amalgamation Reserve	103.83	103.83
Total Capital Reserve	16,129.34	14,289.66
Investment Revaluation Reserve	(4.04)	(10.80)
Add: Current year revaluation gain/loss	2.00	6.76
	(2.04)	(4.04)
Actuarial Gain/Loss	(859.15)	(966.47)
Add: Current year actuarial gain/loss	67.88	93.65
Add : Share of Other Comprehensive income of joint venture	(6.55)	13.67
Closing Balance	(797.83)	(859.15)
General Reserve		
Balance as per the last Financial Statements	27,248.40	27,248.40
Add : Amount transferred from Surplus Balance in the Statement of Profit and Loss	-	-
Add/(Less): Ind AS Adjustments		
Closing Balance	27,248.40	27,248.40

Note 17. Other Equity	As at 31-03-2022	As at 31-03-2021
Surplus/(Deficit) in the Statement of Profit and Loss		
Balance as per the last Financial Statements	57,597.61	41,492.20
Add/(Less): Ind AS Adjustments	-	-
Profit for the year	18,762.11	16,679.37
Share of profit of joint venture	51.93	(380.58)
	76,411.64	57,790.99
Less : Appropriations		
Final Equity Dividend Paid @ Rs 2/- per Share (@ Re 0.15/- per Share in FY 2020-21)	2,578.42	193.38
Net Surplus in Statement of Profit and Loss	73,833.22	57,597.61
Total Reserves and Surplus taken to Balance Sheet	1,16,411.09	98,272.47

- > General Reserve: This is used from time to time to transfer profits from retained earnings for appropriation purposes.
- > Investment Revaluation Reserve : This reserve represents the cumulative gain or loss arising on revaluation of equity instruments measured at fair value through OCI, net of amounts reclassified, if any to retained earnings when those investments are disposed off.
- > Actuarial Gain/Loss Reserve : This reserve represents the cumulative gain or loss on account of remeasurement of defined benefit plans, net of amounts reclassified, if any to retained earnings.
- > Capital Redemption Reserve: This is created on redemption of redeemable preference shares issued. This can be utilised for issuing fully paid bonus shares in accordance with the provisions of Companies Act, 2013.
- > Retained Earnings: This represents the accumulated earnings net of losses if any made by the company over the years. This reserves can be utilised for the payment of dividend and other purposes in accordance with the provisions of the Companies Act, 2013

Note No. 17A: Financial information of Subsidiary having Non-Controlling interest is given below:

Name	Country of Incorporation	Non Controlling interest % As on 31-03-2022	Profits allocated to non-controlling interest	Other Comprehensive income allocated to non-allocated interest	Accumulated non-Controlling interest
KCP Vietnam Industries Limited	Socialist Republic Vietnam	33.33%	5,152.35	955.33	23,543.75

The summarised financial information of subsidiary is provided below. This information is based on amounts before inter-company eliminations.

The summarised Statement of Profit and Loss of subsidiary is provided below:-

(Rs in Lakhs)

Particulars	Year ended 31-03-2022	Year ended 3 1-03-2021
Income	54,298.30	41,284.24
Expenses	38,841.25	34,691.41
Profit before tax	15,457.05	6,592.83
Tax expenses	-	-
Profit for the year	15,457.05	6,592.83
-Attributable to the owners of the company	10,304.70	4,395.22
-Attributable to the non-controlling interest	5,152.35	2,197.61
Other comprehensive Income	2,865.99	(874.17)
-Attributable to the owners of the company	1,910.66	(582.78)
-Attributable to the non-controlling interest	955.33	(291.39)
Total comprehensive Income	18,323.04	5,718.66
-Attributable to the owners of the company	12,215.36	3,812.44
-Attributable to the non-controlling interest	6,107.68	1,906.22

Summarised Balance Sheet

Particulars	As on 31-03-2022	As on 31-03-2021
Non-Current Assets	22,764.39	21,889.57
Current Assets	66,309.98	51,771.71
Non-Current Liabilities	4,460.16	3,112.66
Current Liabilities	13,982.97	11,424.75
Total Equity	70,631.25	59,123.86
-Attributable to the owners of the company	47,088	39,416
-Attributable to the non-controlling interest	23,544	19,708

Summarised Cash flow Statements for the year ended

Particulars	FY 2021-22	FY 2020-21
Net cash inflow in operating activities	5,394.54	257.35
Net cash inflow from investing activities	(1,164.41)	1,180.69
Net cash inflow in financing activities	(4,194.43)	(1,378.52)
Net decrease in Cash and Cash equivalent	35.70	59.52

NOTE 17B. NON CONTROLLING INTEREST

(Rs in Lakhs)

Particulars	As at 31.03.2021	Additions	Deductions	As at 31.03.2022
Share Capital of KCP Vietnam Industries Limited	5,693.30	308.95	-	6,002.25
101,61,668 Equity shares (101,61,668 shares); - Share capital plus General Reserve held by minority shareholders				
Profit & Loss account	12,499.00	5,152.35	(2,271.88)	15,379.46
Translation Reserve	1,515.66	646.38	-	2,162.04
Total	19,707.95	6,107.68	(2,271.88)	23,543.75
Total Dividend declared by KCP VIL	6,815.65			
Less: The KCP Ltd- share @ 2/3 rd	4,543.76			
Non Controlling Share in Dividends	2,271.88			

Note 18. Non current Financial Liabilities- Borrowings	As at 31-03-2022	As at 31-03-2021
Rupee Term Loans from Banks - Secured		
Engineering Unit	-	276.11
Captive Power Plant- Muktyala	-	1,164.59
Cement Plant Muktyala Expansion	11,506.42	16,210.78
Corporate Loan (Capex Reimbursement)	1,480.44	1,822.08
Sub Total	12,986.86	19,473.56
Other Loans and advances:		
Deposits (unsecured)		
From Directors	890.03	1,345.03
From Others	4,012.35	3,957.02
Sub Total	4,902.38	5,302.05
Total	17,889.24	24,775.61
The above amount includes		
Secured borrowings	12,986.86	19,473.56
Unsecured borrowings	4,902.38	5,302.05
Amount disclosed under the head		
Current maturities of the borrowings shown under "Current Financial liabilities-Borrowings(Note-23A)"	8,807.25	11,422.95

Details of deposits held by Directors of the company		
a) Smt. V Kavitha Dutt	101.53	101.53
b) Dr. V L Indira Dutt	1,913.50	1,433.50

Term Loans

(Rs in Lakhs)

Particulars	Muktyala Cement Expansion	Captive Power Plant	Hotel	Engineering Unit	Capex Reimbursement Loan	Covid Credit Support Scheme Loan	KCP Vietnam Industries Ltd.
Lending Bank	State Bank of India	Canara Bank	Indian Overseas Bank	Canara Bank	HDFC Bank	Canara Bank	Vietnam Development Bank
Loan Amount Sanctioned (Rs in Lakhs)	27,563	7964	5973	338	2278	250	3,30,000 Million VND
Loan Amount Availed (Rs in Lakhs)	27,498	7215	5973	317	2278	250	2,81,300 Million VND
Loan amount outstanding as on 31-03-2022	16,216	0	0	0	1936	0	0
No of Installments (Quarterly)	32	32	28	20	20	18	28
Installments Commencement	Dec,2018	Mar,2015	May,2015	Oct,2019	July,2021	April,2021	March,2016
Rate of Interest	6M MCLR plus 0.65%	1 Yr MCLR plus 1.30%	1 Yr MCLR plus 1.00%	1 Yr MCLR plus 0.50%	Repo Rate plus 3.00%	1 Yr MCLR plus 0.50%	8.55%
Installment Amount (Rs in Lakhs)	1175	207.25	314	16.9	113.88	13.88	11,785 Million VND
Security	First Charge on the Project Assets and Charge on Land at Muktyala ranking pari-passu with other lenders.	First Charge on Fixed Assets of Captive Power Plant.	First Charge on Fixed Assets of Hotel.	First Charge on Imported Lathe Machine	Exclusive Charge on Commercial Building at Hyderabad.	Extension of existing primary and collateral security	Pledge of Project Assets

Note : Initial Loan Processing Charges by State Bank of India are being amortised over the period of the loan. Net amount outstanding at the end of the year to be amortised was Rs. 8.25 lakhs. (Previous Year Rs.16.20 lakhs)

Carrying value of assets Pledged for Term Loan

(Rs. In Lakhs)

Particulars	Muktyala Plant Fixed Assets (including Expansion Assets)		Hotel Fixed Assets		Captive Power Plant Assets	
	31-03-2022	31-03-2021	31-03-2022	31-03-2021	31-03-2022	31-03-2021
As at						
Plant & Machinery	48,649	51,854	1,851.27	2,156	6,909.54	7,236
Lands & Buildings	8,784	7,981	4,519	4,696	1,279	1,313
Furniture & fixtures	127	89	393	555	4	5
Total	57,560	59,924	6,763	7,407	8,192	8,554

Cash Credit

Particulars	Muktyala		Macherla		CPP	Engineering Unit	
	Bank of Baroda	Canara Bank	Bank of Baroda	HDFC Bank		Canara Bank	AXIS Bank
Lending Bank							
Outstanding Amount as on 31.03.2022	11	13	9	606	5	434	(171)
Rate of Interest on 31.03.2022	0.80% over 1 Yr MCLR plus SP	1 Yr MCLR plus 1.50%	0.80% over 1 Yr MCLR plus SP	7.00%	1 Yr MCLR plus 1.50%	1 Yr MCLR plus 1.50%	3M MCLR plus 0.90%
Security	Paripassu First Charge on Current Assets of Muktyala Cement Unit		Paripassu First Charge on Current Assets of Macherla Cement Unit		Paripassu First Charge on Current Assets of Powere Plant		Paripassu First Charge on Current Assets of Engineering Unit

Working Capital Demand Loan - Secured (Carved Out of Cash Credit)

Particulars	Engineering Unit		Muktyala
	Canara Bank	AXIS Bank	
Lending Bank			
Outstanding Amount as on 31.03.2022	1000	513	2000
Rate of Interest on 31.03.2022	3M MCLR	3M MCLR plus 0.90%	4.90%
Security	Paripassu First Charge on Current Assets of Engineering Unit		Unsecured

Additional Information:

1. The Company is not declared wilful defaulter by any bank.

Note 19. Non current- Trade payables	As at 31-03-2022	As at 31-03-2021
Due to Micro and Small Enterprises	-	-
Due to Others	-	271.26
Total	-	271.26

Non Current Trade Payables Aeging Schedule:**For the year 2021-22**

Particulars	Outstanding for following periods from due date payment					Total
	Not Due	Less than 1 Years	1 Year - 2 Years	2 Year - 3Years	More than 3 Years	
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-
Total	-	-	-	-	-	-

For the year 2020-21

Particulars	Outstanding for following periods from due date payment					Total
	Not Due	Less than 1 Years	1 Year - 2 Years	2 Year - 3Years	More than 3 Years	
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	271.26	271.26
Total	-	-	-	-	271.26	271.26

Note 20. Non current- Other Financial Liabilities	As at 31-03-2022	As at 31-03-2021
Science & Technology development fund	4,460.16	3,112.66
Deposits Payable-Contractors	342.40	313.40
Interest accrued but not due	90.75	107.81
Outstanding Liabilities for Expenses	1,088.78	922.57
Total	5,982.08	4,456.43

Note 21. Non current - Provisions	As at 31-03-2022	As at 31-03-2021
Provision for gratuity	-	-
Provision for leave benefits	1,030.75	1,024.05
Provision for Decommissioning expenses	345.07	268.25
Total	1,375.83	1,292.29

Note 22. Deferred Tax Liability (Net)	As at 31-03-2022	As at 31-03-2021
Deferred Tax Liability		
Fixed assets: Difference between Tax depreciation and depreciation/amortisation charged for the financial reporting	14,414.88	14,383.46
Discounting of legal cases	24.67	32.78
Gross Deferred Tax Liability	14,439.55	14,416.24
Deferred Tax Asset		
MAT Credit	4,575.09	6,270.43
Expected Credit loss	3.13	3.77
Discounting of trade receivables	22.06	24.94
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	762.13	839.51
Provision for decommissioning cost	120.58	93.74
Onerous Contracts	50.04	9.84
Others	90.66	106.48
Gross Deferred tax asset	5,623.68	7,348.70
Net Deferred Tax Liability	8,815.87	7,067.54

Note.23 Current Financial Liabilities- Borrowings	As at 31-03-2022	As at 31-03-2021
Cash credit from Banks		
: Secured	2,419.49	2,212.47
: Unsecured	11,801.43	6,122.44
Current maturities of long term borrowings [Refer Note 23A]	8,807.25	11,422.95
Loan Repayable on Demand (Unsecured)		
:from Directors	1,845.00	1,760.00
Inter-corporate deposit repayable on demand	670.00	270.00
Total	25,543.17	21,787.87
The above amount includes		
Secured borrowings	7,575.01	10,430.15
Unsecured borrowings	17,968.16	11,357.72

Note 23A Current maturities of long term borrowings	As at 31-03-2022	As at 31-03-2021
Rupee Term Loans from Banks - Secured		
Hotel Project	-	841.93
Engineering Unit	-	230.78
Captive Power Plant- Muktyala	-	931.67
Cement Plant Muktyala Expansion	4,700.00	4,700.00
Corporate Loan (Capex Reimbursement)	455.52	455.52
Sugar Project	-	1,057.77
Sub Total	5,155.52	8,217.67

(Rs in Lakhs)

Note 23A Current maturities of long term borrowings	As at 31-03-2022	As at 31-03-2021
Other Loans and advances:		
Deposits (unsecured)		
From Directors	1,125.00	190.00
From Others	2,526.73	3,015.28
Sub Total	3,651.73	3,205.28
Total	8,807.25	11,422.95

Note.24 Current Financial liabilities- Trade payables	As at 31-03-2022	As at 31-03-2021
Trade payables		
Due to Micro and Small Enterprises	245.00	334.03
Due to Others	10,001.72	9,454.42
Total	10,246.72	9,788.45

Current Trade Payables Aeging Schedule:**F.Y 2021-22**

Particulars	Outstanding for following periods from due date payment					Total
	Not Due	Less than 1 Years	1 Year - 2 Years	2 Year - 3Years	More than 3 Years	
(i) MSME	238.48	6.52	-	-	-	245.00
(ii) Others	5,754.52	3,972.24	42.79	145.57	66.62	9,981.75
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-
Total	5,993.00	3,978.76	42.79	145.57	66.62	10,226.74
Add: To be billed						19.98
Less: Provison for expected credit loss						-
Total						10,246.72

F.Y 2020-21

Particulars	Outstanding for following periods from due date payment					Total
	Not Due	Less than 1 Years	1 Year - 2 Years	2 Year - 3Years	More than 3 Years	
(i) MSME	334.03	-	-	-	-	334.03
(ii) Others	5,810.88	3,289.27	267.30	6.62	66.76	9,440.83
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-
Total	6,144.91	3,289.27	267.30	6.62	66.76	9,774.86
Add: To be billed						13.59
Less: Provison for expected credit loss						-
Total						9,788.45

Note 25. Current- Other Financial Liabilities	As at 31-03-2022	As at 31-03-2021
Interest Accrued but not due on borrowings	162.31	179.89
Interest Accrued and due on borrowings	181.79	50.30
Advance from customers	9,610.59	7,021.50
Advances from Others	50.02	-
Unpaid Dividend	229.28	196.91
Accrued Salaries and Benefits	1,494.73	1,346.40
Directors Remuneration Payable	918.16	1,096.21
Trade deposits	7,674.23	5,540.11
Project related payables	51.61	167.25
Outstanding Financial Liabilities	968.05	1,136.93
Outstanding Liabilities for Others	1,112.35	1,111.42
Total	22,453.11	17,846.91

Note 26. Other Current Liabilities	As at March 31, 2022	As at 31st March 2021
Statutory Dues	3,589.96	3,578.14
Total	3,589.96	3,578.14

Note 27. Current- Provisions	As at March 31, 2022	As at 31st March 2021
Provision for gratuity	307.97	97.95
Provision for leave benefits	456.27	360.12
Total	764.23	458.07

Note 28. Revenue from operations	FY 2021-22	FY 2020-21
Revenue from operations		
Sale of products	2,08,220.73	1,67,978.34
Sale of services	2,075.76	1,048.48
Sub Total	2,10,296.49	1,69,026.82
Other operating revenue		
Scrap sales	296.20	33.45
Sale of Raw material	16.21	-
Packing & Forwarding	1.13	7.53
Interest Income on -		
Bank deposits	64.21	120.17
Others	60.07	33.53
Amortisation of govt. grant (VAT Incentive)	1.99	1.99
Insurance Claims Received	84.43	30.00
Revenue from operations (Gross)	2,10,820.73	1,69,253.50

Disaggregation of revenue information as per INDAS 115

Particulars	FY 2021-22	FY 2020-21
Revenue from Sale of goods	1,55,952.04	1,28,049.28
Revenue from Sale of sugar	46,198.30	33,766.11
Revenue from Power	6,070.40	6,162.95
Revenue from Engineering Job works	717.18	482.39
Revenue from Hospitality services	1,358.58	566.09
Total	2,10,296.50	1,69,026.82

Revenue from Contract with Customer as per disclosure requirements under para 126AA of INDAS-115:

Particulars	FY 2021-22	FY 2020-21
Revenue from contracts with customers (excl GST)	2,46,540.04	1,90,906.93
Less:		
Discounts	35,580.72	21,420.28
Selling Agent commission	345.19	226.15
Sales Promotion	317.64	233.69
Gross sales as per Profit and loss account	2,10,296.50	1,69,026.82

Disclosure requirements under IND AS 115 para 116 in respect of Engineering Job works

Particulars	31.03.2022	31.03.2021
Opening balance of Trade Receivables	3,759.93	2,946.18
Opening balance of Contract assets	456.45	92.55
Opening balance of Contract liabilities	1,178.47	2,128.85
Revenue recognized in the reporting period that was included in the contract liabilities balance at the beginning of the period	736.49	1,358.94
Revenue recognized in the reporting period from performance obligations satisfied in the previous period	-	-
Closing balance of receivables	3,454.66	3,759.93
Closing balance of contract assets	1,171.31	456.45
Closing balance of contract liabilities	2,617.32	1,178.47

Note 29. Other Income	FY 2021-22	FY 2020-21
Interest Income on Investments	2,812.43	1,863.94
Dividend income on Long-term investments	0.75	0.40
Net gain on sale of Assets	23.29	-
Scrap Sales	144.84	287.12
Other non-operating income	875.37	530.39
Total	3,856.67	2,681.85

Note 30. Cost of raw material and components consumed	FY 2021-22	FY 2020-21
Inventory at the beginning of the year	580.49	902.87
Add: Purchases	12,404.56	7,073.00
Add: Cost of raw materials produced	51,471.24	38,450.29
	64,456.30	46,426.16
Less: Inventory at the end of the year	1,111.87	580.49
Cost of raw material and components consumed	63,344.43	45,845.67

Details of raw material and components consumed	FY 2021-22	FY 2020-21
i) Cement Unit		
Limestone	19,064.96	15,719.54
Laterite	1,510.39	1,099.41
Fly Ash	2,748.04	1,975.74
Gypsum	3,286.87	2,193.84
OPC Cement - Frieght on internal transfers	167.73	-
Clinker	15.99	-
Sub Total	26,793.97	20,988.53
ii) Sugar Cane	32,413.66	22,951.10
iii) Engineering Unit		
Iron and Steel,Nickel,Scrap and Equipments	3,975.21	1,831.38
iv) Bricks Unit / Others		
Sand, Stoner Dust, Metal / Admixture Stock and Others	19.35	11.39
v) Hotel		
Provisions	142.24	63.26
Total	63,344.43	45,845.67

Details of Inventory	FY 2021-22	FY 2020-21
Raw materials and components		
Limestone	319.13	307.11
Laterite	165.33	82.55
Fly Ash	32.00	14.50
Gypsum	517.36	170.40
BF Slag	-	1.40
OPC Cement [Freight on Internal Transfer]	42.52	-
Iron and Steel,Nickel,Scrap and Equipments - In Transit	33.71	1.54
Others	1.83	2.99
Total	1,111.87	580.49

(Rs in Lakhs)

Note 31. (Increase)/decrease in inventories	FY 2021-22	FY 2020-21
Inventories at the end of the year		
Work in progress	8,556.24	5,279.11
Finished goods	16,730.36	12,569.67
Sub Total	25,286.59	17,848.78
Inventories at the beginning of the year		
Work in progress	5,279.11	8,074.82
Finished goods	12,569.67	14,081.92
Sub Total	17,848.78	22,156.74
Increase/ (Decrease)	(7,437.82)	4,307.96

Note 32. Employee benefit expenses	FY 2021-22	FY 2020-21
Salaries, Wages and bonus	10,198.45	10,202.89
Contribution to Provident and other funds	801.37	569.70
Gratuity expenses	509.92	126.31
Staff welfare expenses	997.84	764.73
Total	12,507.58	11,663.63

* Employee Benefit Expense for the year 2021-22 includes an amount of Rs.382.54 Lakhs being the past service cost arising out of restructuring of Salary in accordance with The New Wage Code.

Note 33. Finance Costs	FY 2021-22	FY 2020-21
Interest	3,211.69	4,486.78
Other Borrowing costs	89.56	102.75
Unwinding of Finance Cost	83.48	47.44
Total	3,384.73	4,636.97

Note 33A. Depreciation and amortization expense	FY 2021-22	FY 2020-21
Depreciation of tangible assets	8,657.83	9,123.89
Amortization of intangible assets	48.34	47.12
Total	8,706.17	9,171.01

Note 34. Other expenses	FY 2021-22	FY 2020-21
Consumption of stores and spares	9,315.79	6,201.16
Consumption of loose tools	210.72	100.79
Sub-contracting expenses	2,139.07	1,266.43
Insurance	376.13	355.08
Rent	140.32	87.45
Rates and taxes	607.03	586.96
Repairs and maintenance		
To Plant&Machinery	1,506.46	1,015.23
Buildings	387.11	296.63
Other Assets	314.84	243.57
Wheeling/Banking Charges	248.72	768.24
Advertising and sales promotion	674.98	489.01
Sales commission	28.65	5.38
Research & Development	1,477.34	-
Travelling and conveyance	213.76	117.22
Communication costs	86.96	82.39
Printing & Stationery	64.25	50.97
Donations	76.00	101.32
Corporate Social Responsibility	127.67	64.72
Professional, Consultancy and Legal fees	763.33	561.04
Directors' sitting fees	25.40	23.80
Payment to auditors (Refer details below)	44.49	40.19
Exchange Difference - Net Loss /(Gain)	-	28.99
Bad debts/advances written off	63.28	4.76
Bank Charges	73.73	63.61
Assets Written Off	72.00	142.59
Loss on sale of fixed assets (net)	-	0.13
Performance and Delivery Guarantee Claims	391.13	68.82
Provision for doubtful debts and advances	5.10	24.86
Expected Credit Loss	-	5.18
Security Charges	497.05	478.27
Miscellaneous expenses	1,105.73	907.01
Total	21,037.05	14,181.80

(Rs in Lakhs)

Payment to Auditors		
As Auditor:		
Audit Fee	23.69	21.67
Certification & Other fees	9.47	9.49
Fees for Cost Auditor	10.20	8.60
Reimbursement of expenses	1.14	0.43
Total	44.49	40.19

Note 35. Income Tax Reconciliation**The major components of income tax expense for the years ended 31-03-2022**

Income tax expense:-	FY 2021-22	FY 2020-21
Current tax (Including MAT Credit Utilisation of Rs. 1,822.98 Lakhs)	5,050.00	3,812.00
Deferred tax	16.53	4,324.50
MAT credit Utilised/ (Entitlement)	-	(1,793.13)
Short /(Excess) provision of Income Tax/MAT	211.30	-
Total tax expense for the year	5,277.83	6,343.37

Reconciliation of effective tax rate:

Tax on the company's profit before tax differs from the theoretical amount that would arise on using the enacted rate of corporate tax in india (34.94%) as follows:

Particulars	FY 2021-22	FY 2020-21
(a) Net Profit / (Loss) before taxes	29,192.29	25,220.35
(b) Corporate Tax as per Income Tax Act, 1961	34.94%	34.94%
(c) Tax on Accounting Profit (c) = (a)*(b)	10,200.95	8,813.00
(d) Increase/Decrease in tax expense on account of:-		
i) Non taxable income/Exempt income	(5,401.31)	(2,303.80)
ii) Reduction in Depreciation/ (Accelerated Depreciation)	80.74	21.80
iii) Expenses not allowed under Income Tax	113.12	(10.92)
iv) Expenses that are allowed under payment basis	12.66	128.39
v) Expected Credit Loss as per Ind AS	-	1.81
vi) Amortisation of Government Grant as per Ind AS	(0.70)	(0.70)
vii) Finance Cost as per Ind AS	24.00	(43.14)
viii) Stripping Cost Capitalised as per Ind AS	(109.32)	(73.47)
ix) Deduction under Sec 80-IA	(223.33)	(262.01)
x) Deduction under Sec 80M	(450.50)	(518.08)
xi) Foreign dividend taxable at special rates	(781.49)	(529.05)

Particulars	FY 2021-22	FY 2020-21
xii) Utilisation of brought forward business losses	-	(4,303.74)
xiii) Difference due to elimination of dividend received from Group Companies	1,562.97	1,065.09
(xiv) Adjustment for current tax of previous periods	211.30	-
(xv) Other adjustments	22.20	33.69
Tax Expense recognised in Statement of P & L	5,261.30	2,018.87
(e) Tax as per Normal Provision under Income Tax	5,261.30	2,018.87
(f) Tax rate applicable to the company as per MAT Provisions	17.47%	17.47%
(g) MAT Tax expense on Net Profits	3,181.31	3,787.15
(h) Increase/Decrease in tax expense on account of:-		
i) Items that will not be reclassified to Profit & Loss	18.23	25.15
ii) Exempt Income u/s 10(34)	-	-
iii) 1/5th of transition amount u/s 115JB(2C)	(34.71)	(34.71)
iv) Expected Credit Loss	-	0.90
v) Expenses that are not allowed as per Section 115JB	20.99	(9.45)
(i) Other adjustments	41.20	42.96
MAT tax provision under 115JB (g+h)	3,227.02	3,812.00
MAT credit entitlement utilised during the year	1,822.98	-

Deferred Taxes

Particulars	FY 2021-22	FY 2020-21
As on reporting date		
Deferred tax arising due to		
a) On OCI component		
-Actuarial Gain/Loss	36.46	50.30
b) Other than OCI component		
-Difference in W.D.V of Property Plant & Equipment	31.42	61.17
-Impact of expenditure allowed under Income tax on payment basis	40.92	(145.26)
-Discounting of trade receivables	2.89	3.34
-Provision for Loss allowance	0.64	(1.81)
-Discounting of Legal cases	(8.11)	7.83
-Provision for Decommissioning cost	(26.85)	64.85
-Unabsorbed depreciation and business losses	-	4,313.96
-Other disallowances	(24.38)	20.41
c) Total for the year	52.99	4,374.80

(Rs in Lakhs)

Particulars	FY 2021-22	FY 2020-21
Expense/(income) recognised for the year ended:		
Deferred tax liability/(asset) recognised in statement of profit and loss	16.53	4,324.50
Deferred tax recognised in other comprehensive income	36.46	50.30
Deferred tax recognised in Total comprehensive income	52.99	4,374.80

Details of Deferred tax liability/ (asset) arised during FY 2021-22:-

No.	Particulars	Opening Balance	Recognised in Statement of Profit and loss	Recognised in other comprehensive income	MAT Credit Utilised	Closing Balance
	Temporary Timing difference arised in relation to					
1)	Fixed Assets					
	- Depreciation charged as per income tax act and Companies Act	14,383.46	31.42	-	-	14,414.88
	- Decommissioning Cost- Mines	-	-	-	-	-
2)	Bank Processing Charges					
	- Amortization	-	-	-	-	-
3)	Discounting of Legal Cases	32.78	(8.11)	-	-	24.67
4)	Expenditure charged to Statement of profit and loss in the current year but allowed for tax purpose on payment basis	(839.51)	113.84	(36.46)	-	(762.13)
5)	Provision for Doubtful debts	(24.94)	2.89	-	-	(22.06)
6)	Deferred Tax Asset on Expected credit loss	(3.77)	0.64	-	-	(3.13)
7)	Provision for Decommissioning Cost	(93.74)	(26.85)	-	-	(120.58)
8)	MAT Credit	(6,270.43)	-	-	1,695.34	(4,575.09)
9)	Unabsorbed Losses	-	-	-	-	-
10)	Onerous Contract	(9.84)	(40.20)	-	-	(50.04)
11)	Others	(106.48)	15.82	-	-	(90.66)
	Total	7,067.54	89.45	(36.46)	1,695.34	8,815.87

Note 36. Other Comprehensive Income- OCI	FY 2021-22	FY 2020-21
Foreign translation reserve changes	2,795.01	(781.07)
Remeasurement of Defined Benefit Plan Loss/Gain		
Gratuity	219.95	87.01
Leave Encashment	(115.61)	56.93
Increase/Decrease in Fair Value of Investments	2.00	6.76
Deferred Tax Liability on above items	(36.46)	(50.30)
Share of OCI from Joint venture	(6.55)	13.67
Sub-Total	2,858.33	(667.00)
Less: Non controlling Interest share in OCI(Refer Note 17A)	955.33	(291.39)
Total	1,903.00	(375.61)

Statement of additions, write off and payments closing as per IND AS 37 Para 84

S.No	Provisions	Leave Benefits	Gratuity	Income Tax	Decommissioning
1	Balance as at 1st April, 2021	1,384.17	97.95	4,312.84	268.25
2	Provision recognised during the year				
	- In Statement of Profit & Loss	229.73	510.77	5,050.00	76.83
	- In Statement of Other Comprehensive Income	115.61	(219.95)	-	-
3	Amounts incurred and charged against the provision	(242.49)	(80.80)	(3,805.91)	-
4	Balance as at 31st March, 2022	1,487.02	307.97	5,556.93	345.07

The Company provides for the expenses at fair value that are required to restore the mines based on the estimated mineral reserves available and is included in cost of material consumed. The unwinding of discount on provision is shown as finance costs in the statement of profit and loss. It is expected to be settled in 2026-27 for Muktyala mining lands, 2025-26 for macherla mines. 2022-23 for terala mines.

Note 37. Contingent Liabilities	As at 31-03-2022	As at 31-03-2021
A. Claims against the company not acknowledged as debt		
Statutory Levies	6,527.00	2,452.62
Contractual Levies	30.47	13.41
Others	430.93	591.42
B. Guarantees issued by the Bankers on behalf of the Company		
Against Advances Received	1,793.04	2,467.79
Towards Performance Guarantees	4,118.79	2,782.04

Note 38. Commitments	As at 31-03-2022	As at 31-03-2021
A. Estimated amount of contracts remaining to be executed on capital account and not provided for	11.41	1,349.53
B. Other commitments - Sale contracts	17,385.38	10,261.58
- Export Obligation under EPCG Scheme	179.78	179.78

Note 39. Value Of Imports On Cif Basis In Respect Of	As at 31st March, 2022	As at 31st March, 2021
a) Raw Materials and Stock-in-Trade	-	-
b) Components ,Spares parts , Consumables & Coal	3,720.62	5,977.66
c) Tools	0.61	1.97
	3,721.23	5,979.63

Note 40. Revenue Expenditure Capitalised During The Year	As at 31-03-2022	As at 31-03-2021
a) Opening unallocated capital expenditure	152.01	32.58
Add:		
Salaries,wages, Bonus, PF & FPS	20.30	27.85
Contribution to provident fund and Family Pension Scheme	1.87	1.35
Staff welfare Expenses	2.91	1.02
Stores and Spares Consumed	8.53	4.92
Power	24.21	11.69
Insurance	0.13	0.46
Repairs to Building	9.21	4.65
Repairs to Machinery	0.34	0.02
Repairs to Other Assets	1.34	4.59
Gratuity Expenses	0.74	0.27
Professional Fees	54.29	68.28
Travelling Expenses	1.26	0.63
Security Charges	14.16	19.95
Rates & taxes	2.21	1.10
Depreciation	1.67	0.56
Miscellaneous expenses	10.15	5.71
	305.31	185.63
Less:		
Miscellaneous Income	0.72	1.03
	304.59	184.60
Less:		
Capitalised/Allocated to fixed assets	304.59	32.58
Written off during the year	-	-
Closing unallocated Capital Expenditure	-	152.01

Note 41. Revenue from Operations	For FY 2021-22	For FY 2020-21
	Rs.	Rs.
Finished goods sold		
Cement	1,48,295.52	1,19,660.93
Heavy Engineering products	7,519.79	8,342.65
Electrical energy	6,070.40	6,122.15
Sugar	46,198.29	33,766.10
Service Receipts	2,075.76	1,048.48
Others	660.97	313.18
Total	2,10,820.73	1,69,253.48

Note 42. Earnings Per Share (EPS)	As at March 31, 2022	As at 31st March 2021
i) Profit / (Loss) after Non controlling interest from continuing operations	18,814.03	16,298.79
i) Profit / (Loss) after Non controlling interest from discontinued operations	-	-
Total Profit / (Loss) after Non controlling interest	18,814.03	16,298.79
ii) Net Profit attributable to Equity Shareholders	18,814.03	16,298.79
iii) Weighted Average number of equity shares used as denominator for calculating EPS	12,89,21,160	12,89,21,160
Earnings per share (for Continuing Operations) Basic and diluted	14.59	12.64
Earnings per share (for Discontinued Operations) Basic and diluted	-	-
Total Earnings per share - Rs.	14.59	12.64
Nominal value per each Equity share - Rs.	1.00	1.00

Note 43. Disclosures required by Indian Accounting Standard 19- Employee Benefits	FY 2021-22		FY 2020-21	
	Gratuity	Leave Absentees	Gratuity	Leave Absentees
a) Reconciliation for present value of obligations				
Present value of obligations as at beginning of the year	1,695.63	1,384.17	1,678.97	1,432.74
Interest cost	109.63	86.38	108.83	87.53
Current service cost	124.29	143.34	114.84	185.62
Past service cost	382.54	-	-	-
Benefits paid	(185.72)	(242.48)	(123.89)	(264.40)
Actuarial loss/(gain) on obligation	(213.67)	115.62	(83.12)	(57.32)
Present value of obligations as at end of the year	1,912.70	1,487.03	1,695.63	1,384.17

Note 43. Disclosures required by Indian Accounting Standard 19- Employee Benefits	FY 2021-22		FY 2020-21	
	Gratuity	Leave Absentees	Gratuity	Leave Absentees
b) Reconciliation for fair value of plan assets				
Fair Value Of Plan Assets At The Beginning Of The Year	1,597.67	-	1,393.60	-
Expected Return On Plan Assets	105.69	-	97.25	-
Contributions	80.80	242.48	226.59	264.40
Benefits Paid	(185.72)	(242.48)	(123.89)	(264.40)
Actuarial Gain On Plan Assets	6.27	-	4.12	-
Fair Value Of Plan Assets At The End Of The Year	1,604.71	-	1,597.67	-
c) Net Liability recognised in the Balance Sheet				
Present value of obligations as at the end of the year	1,912.70	1,487.03	1,695.63	1,384.17
Fair value of plan Assets as at the end of the year	1,604.71	-	1,597.67	-
Amount determined under para 63 of IND AS 19	307.99	1,487.03	97.96	1,384.17
Net defined benefit liability recognised in the Balance sheet	307.99	1,487.03	97.96	1,384.17
Present value of future reduction in contribution under para 65 of IND AS 19	-	-	-	-
Net Defined benefit asset recognised under para 64 of IND AS 19	-	-	-	-
d) Expenses recognised in statement of Profit & Loss				
Current service cost	124.29	143.34	114.84	185.62
Net interest on net Defined benefit obligations	3.94	-	11.58	-
Interest cost	-	86.38	-	87.53
Net actuarial (gain)/loss recognised in the year	-	-	-	-
Past service Cost	382.54	-	-	-
Expense to be recognised in the Profit & Loss a/c	510.77	229.72	126.42	273.15
e) Amount recognised in the statement of OCI				
Actuarial (gain)/loss on Plan obligation	(213.67)	115.62	(83.12)	(57.32)
Difference between Actual Return and Interest Income on Plan Assets- (gain)/loss	(6.27)	-	(4.12)	-
Effect of Balance Sheet asset limit	-	-	-	-
Amount recognized in OCI for the current period	(219.94)	115.62	(87.24)	(57.32)

Note 43. Disclosures required by Indian Accounting Standard 19- Employee Benefits	FY 2021-22		FY 2020-21	
	Gratuity	Leave Absentees	Gratuity	Leave Absentees
f) Actuarial Assumptions				
Assumptions as at 31 March, 2022				
Discount rate	7.31%	7.31%	6.84%	6.84%
Salary escalation	6.00%	6.00%	6.00%	6.00%
Attrition rate	4.00%	4.00%	4.00%	4.00%
Expected return on Plan Assets	7.31%	0.00%	6.84%	0.00%
Mortality	IALM (2012-14)		IALM (2012-14)	
g) Date of Valuation	31-Mar-22	31-Mar-22	31-Mar-21	31-Mar-21
h) Average Duration of Defined Benefit Obligation (in Yrs)	5.88	5.11	8.31	5.25

i) Sensitivity Analysis

Discount Rate, Salary Escalation Rate and Withdrawal Rate are significant actuarial assumptions. The change in the Present Value of Defined Benefit Obligation for a change of 100 Basis Points from the assumed assumption is given below:

Sensitivity Analysis- Gratuity	FY 2021-22		FY 2020-21	
	Defined Benefit Obligation [DBO]	Percentage Change	Defined Benefit Obligation [DBO]	Percentage Change
Under Base Scenario- Defined Benefit Obligation	1,912.70	0.00%	1,695.63	0.00%
Salary Escalation- up by 1%	2,023.98	5.80%	1,796.28	5.90%
Salary Escalation- down by 1%	1,811.19	(5.30%)	1,603.96	(5.40%)
Withdrawal rates- up by 1%	1,917.17	0.30%	1,698.11	0.10%
Withdrawal rates- down by 1%	1,906.82	(0.30%)	1,692.83	(0.20%)
Discount rates- up by 1%	1,825.00	(4.60%)	1,615.78	(4.70%)
Discount rates- down by 1%	2,010.68	5.10%	1,785.00	5.30%

(Rs in Lakhs)

Sensitivity Analysis- Leave Benefits	FY 2021-22		FY 2020-21	
	Defined Benefit Obligation [DBO]	Percentage Change	Defined Benefit Obligation [DBO]	Percentage Change
Under Base Scenario- Defined Benefit Obligation	1,487.02	0.00%	1,384.17	0.00%
Salary Escalation- up by 1%	1,545.50	3.90%	1,440.99	4.10%
Salary Escalation- down by 1%	1,431.90	(3.70%)	1,330.71	(3.90%)
Withdrawal rates- up by 1%	1,489.22	0.10%	1,385.52	0.10%
Withdrawal rates- down by 1%	1,484.66	(0.20%)	1,382.71	(0.10%)
Discount rates- up by 1%	1,442.10	(3.00%)	1,339.81	(3.20%)
Discount rates- down by 1%	1,535.64	3.30%	1,432.25	3.50%

The sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in the market conditions at the accounting date

Expected Cash flows for following years:	FY 2021-22		FY 2020-21	
	Gratuity	Leave Absentees	Gratuity	Leave Absentees
Year 1	500.96	456.27	402.06	360.12
Year 2	191.05	257.28	227.91	279.61
Year 3	181.07	202.07	153.45	200.36
Year 4	193.48	182.40	146.94	162.45
Year 5	225.64	196.42	156.15	144.23
Year 6	158.63	115.15	171.39	150.22
Year 7	157.35	99.30	128.84	87.85
Year 8	246.70	94.01	130.80	77.50
Year 9	139.52	70.29	215.39	70.24
Year 10	101.16	57.91	115.31	54.43

Note 44. Particulars disclosed pursuant to "IND AS-24 Related Party Disclosures" :-

(as per separate annexure-I enclosed)

Note 45. Corporate Social Responsibility (CSR)

As per section 135 of the Companies Act 2013, the CSR committee has been formed by the company. The areas of CSR activities are eradication of hunger and malnutrition, promoting education, Art and Culture, Health care, destitute care and rehabilitation and Rural development projects.

Particulars		For FY 2021-22	For FY 2020-21
(i)	Amount required to be spent by the company during the year	72.90	39.31
(ii)	Amount of expenditure incurred	127.67	64.72
(iii)	Shortfall at the end of the year	-	-
(iv)	Total of previous years shortfall	-	-
(v)	Reason for shortfall	-	-
(vi)	Nature of CSR activities	Education, Health Care, Women Empowerment and Rural Development	
(vii)	Details of related party transactions - Contribution to a trust controlled by the company in relation to CSR expenditure		
	V Ramakrishna Charitable Trust	68.36	10.64
	Kids Academy of General and Technical Education, Macherla	13.52	15.52
(viii)	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	NIL	NIL

Note 46. Provision for Onerous Contracts as per IND AS-37

As per section 143(3)(j) of the Companies Act, 2013 and rule 11 of the Companies (Audit & Auditors) Rules, 2014, the Company estimated material foreseeable losses on long term contracts at its Engineering Unit and made provision for an amount of **Rs.143.19 lakhs** (Previous Year : **Rs.28.15 lakhs**)

Note 47. Particulars disclosed pursuant to IND AS 108 “ Segment Reporting” are given in Annexure II.

Note 48. Movement in Translation Reserve

Particulars	Majority	Minority	Total
	Rs.	Rs.	Rs.
Opening Balance (Cr)	2,890.76	1,515.66	4,406.42
Movement due to Non Monetary items-			
Capital, Reserves, opening Stock etc.	1,292.76	646.38	1,939.14
Exchange Difference on Dividend Received	(70.98)	-	(70.98)
Closing balance(Cr)	4,112.54	2,162.04	6,274.58

Note 49. Additional Information on Share of Parent Company, Subsidiaries and Joint Venture in Consolidation : (Rs in Lakhs)

Name of the enterprise	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount Rs.	As % of consolidated profit or loss	Amount Rs.	As % of consolidated profit or loss	Amount Rs.	As % of Total comprehensive income	Amount Rs.
Parent								
The KCP Limited	61%	72,361.14	69%	12,930.20	4%	69.88	63%	13,000.07
Subsidiary								
Foreign								
KCP Vietnam Industries Limited	60%	70,631.25	82%	15,457.05	151%	2,865.99	88%	18,323.04
Non Controlling Interest in all Subsidiaries	(20%)	(23,543.75)	(27%)	(5,152.35)	(50%)	(955.33)	(29%)	(6,107.68)
Joint Venture (Investment as per Equity Method)								
Indian								
Fives Cail KCP Limited	0.53%	623.09	0.28%	51.93	(0.34)%	(6.55)	0.22%	45.38
Less : Elimination on Consolidation								
Dividend received from Subsidiary & Joint Venture			(24%)	4,472.79			(22%)	4,472.79
Difference in Foreign Exchange Investment in Foreign Subsidiary	-	-			(4%)	(70.98)	(0.34%)	(70.98)
	(2%)	(2,371.44)						
Total	100%	1,17,700.30	100%	18,814.03	100%	1,903.00	100%	20,717.04

Note 50. Proposed Dividends

In respect of the year ended March 31, 2022 the Directors proposed a dividend of Re.1/- per share on equity share of Re.1/- each. This equity dividend is subject to approval by shareholders at the Annual General meeting. The Proposed Equity Dividend payable to all holders of fully paid equity shares and the total estimated equity dividend to be paid is Rs.1289.21 lakhs excluding Dividend Distribution Tax.

Note 51. Details on Statements of Current Assets submitted to the Banks:

The Company is to submit the monthly statements on Stock and Debtors positions to the Bankers. During the current year , Debtors balance were submitted to the Bank considering the balances upto 120 days instead of 90 days as per the margin requirement mentioned in the sanction letter from the said banker. The discrepancy is for an amount of Rs. 1323.15 Lakhs and Rs. 19.43 lakhs for June 2021 and September 2021 months respectively. The Company had utilised only 22% of the drawing power of the said loan during the current financial year.

In another instance, there is a variance in ageing analysis submitted to the two different bankers, which is on account of considering the debtors balances into different ageing groups. The said variance is to the extent of Rs. 78.47 lakhs.

Note 52. Financial Instruments- Fair value and risk management

(Seperately given in the annexure-III)

Note 53. General:

Figures in brackets indicate those for the previous year.

Figures for the previous year have been regrouped, wherever necessary.

(FOR AND ON BEHALF OF THE BOARD)

Dr. V.L. INDIRA DUTT
Chairperson & Managing Director
DIN: 00139883

V. KAVITHA DUTT
Joint Managing Director
DIN: 00139274

G N MURTY
Chief Financial Officer

Y VIJAYAKUMAR
Company Secretary
ACS: 16353

As per our report annexed

for K.S.RAO & CO
Chartered Accountants
Firm Regn No. 003109S

P GOVARDHANA REDDY
Partner
ICAI Mem No: 029193

Place: Chennai
Date : May 18, 2022

Annexure - I To Consolidated Notes- Related Party Disclosure

A. List of Related parties:	
Subsidiary Company	KCP Vietnam Industries Limited
Joint Venture Company	Fives Cail KCP Limited
Key Management Personnel	Dr. V.L. Indira Dutt - Chairperson & Managing Director-The KCP Ltd Smt.V Kavitha Dutt - Joint Managing Director-The KCP Ltd Shri K.B Pranesh - Managing Director - Fives Cail KCP Ltd Sri. G.N. Murty - Chief Financial Officer - The KCP Ltd Sri. Y. Vijaya Kumar - Company Secretary - The KCP Ltd
Other Related Personnel	Sri V.H. Ramakrishnan- Independent Director Sri P.S Kumar- Independent Director Sri Vijay Sankar- Independent Director Sri Narasimhappa Muttuluri- Independent Director Smt. Janaki Pillai - Independent Director Sri V. Chandra Kumar Prasad - Non-Executive Non-Independent Director Dr. Subbarao Vallabhaneni - Non-Executive Non-Independent Director Sri. Ravi Chitturi - Non-Executive Non-Independent Director
Relatives of Key Management Personnel (KMP)	Dr. V.L. Indira Dutt - Smt. Uma Vallabhaneni - Sister Smt.V.Rama Kumari - Sister Smt. V Kavitha Dutt - Kum.Shivani Dutt Chitturi - Daughter Sri. Ravi Chitturi - Husband
Companies controlled by Key management Personnel/ Relatives	KCP Technologies Limited V. Ramakrishna Sons Pvt Limited BGE Engineering (India) Private Limited VRK Grandsons Investment (Private) Limited V Ramakrishna Charitable Trust Sri Chandramoulieswara Nursing Home Trust Bala Tripurasundari Ammavaru Trust

B. Transactions with the related parties:

(Rs in Lakhs)

	Transactions between JV and Subsidiary	Joint Venture	KMP	Related parties other relations	Companies Controlled by KMP
Sale of Goods					
Fives Cail KCP Limited		278.25			
		-			
From Fives Cail Kcp Limited to KCP Vietnam Industries Limited	134.40				
	(99.31)				
V. Ramakrishna Charitable Trust					1.70
					-
Services -Rendered					
Fives Cail KCP Limited		455.81			
		(104.25)			
V. Ramakrishna Charitable Trust					0.13
					(0.13)
Dividend Income					
BGE Global Inc.					-
Advances Received					
By Fives Cail KCP limited from KCP Vietnam Industries limited	149.08				
	(84.42)				-
Loans/Deposits received					
Dr V L Indra Dutt			895.00		
			(408.50)		
Smt. V Kavitha Dutt			90.00		
			(11.53)		
VL Dutt (HUF)				50.00	
				(650.00)	
Kum. Shivani Dutt Chitturi				58.00	
				(252.00)	
Sri.V.Chandra Kumar				-	
				(0.96)	
Purchase of Goods					
Fives Cail KCP Limited		-			
		-			

	Transactions between JV and Subsidiary	Joint Venture	KMP	Related parties other relations	Companies Controlled by KMP
Remuneration paid					
Dr V L Indira Dutt			778.81		
			(822.94)		
Smt. V Kavitha Dutt			584.11		
			(617.20)		
Sri G.N. Murty			96.78		
			(92.47)		
Sri Y. Vijayakumar			40.24		
			(34.63)		
Sri K.B. Pranesh			102.62		
			(102.67)		
Directors Out of pocket Exp. & Sitting fees					
Sri V. H Ramakrishnan			4.20		
			(4.00)		
Sri Vijay shankar			2.80		
			(4.40)		
Sri P. S. Kumar			4.80		
			(4.80)		
Sri M. Narasimhappa			4.20		
			(4.00)		
Smt Janaki Pillai			2.40		
			(1.80)		
Sri V Chandra Kumar Prasad			2.40		
			(1.60)		
Sri Subbarao Vallabhaneni			2.00		
			(1.60)		
Sri Ravikumar Chitturi			2.60		
			(1.60)		
Interest paid					
Dr V L Indira Dutt			242.71		
			(226.34)		
Smt. V Kavitha Dutt			39.83		
			(43.85)		

	Transactions between JV and Subsidiary	Joint Venture	KMP	Related parties other relations	Companies Controlled by KMP
Other Relations					
Kum. Shivani D. Chitturi				35.83	
				(37.20)	
VL Dutt (HUF)				91.10	
				(92.99)	
V. Ramakrishna Sons Pvt Limited					30.31
					(20.83)
Dividend paid					
Dr V L Indira Dutt			197.74		
			(14.41)		
Smt. V Kavitha Dutt			27.20		
			(1.97)		
Sri K.B. Pranesh			-		
			(0.36)		
Other Relations					
Kum. Shivani Dutt Chitturi				27.00	
				(1.95)	
Smt. Uma S Vallabhaneni				0.20	
				(0.24)	
V. Ramakrishna Sons Pvt Limited					779.13
					(58.43)
VRK Grandsons Investment (Private) Limited					84.98
					(6.37)
Dr V L Dutt (HUF)				2.27	
				(0.17)	
Loans/Deposit Repaid					
Dr. V. L. Indira Dutt			330.00		
			(273.50)		
Smt. V Kavitha Dutt			90.00		
			(11.53)		

(Rs in Lakhs)

	Transactions between JV and Subsidiary	Joint Venture	KMP	Related parties other relations	Companies Controlled by KMP
Dr V L Dutt(HUF)				600.00	
				-	
Kum.Shivani Dutt Chitturi				58.00	
				(252.00)	
Rent Paid					
Dr V L Indira Dutt			149.56		
			(125.36)		
Smt. V Kavitha Dutt			4.29		
			(4.29)		
Other Relations					
Smt.Uma.s.Vallabhaneni				151.60	
				(125.24)	
Smt.V.Rama Kumari				112.00	
				(92.88)	
Bala Tripurasundari Ammavaru Trust					149.33
					(122.81)
Sri.V.Chandra kumar				62.58	
				(52.07)	
Corporate Social Responsibility (CSR Activities)					
V Ramakrishna Charitable Trust					68.36
					(26.16)
Kids Academy of General and Technical Education					13.52
					-
Donations					
Sri V Ramakrishna Higer Secondary School					76.00
					(5.00)
Balances as at 31.03.2022					
Receivable - Trade dues/others					
Fives Cail KCP Limited		229.76			
					-
To Fives Cail KCP Limited from KCP Vietnam Industries Limited	4.98				
	(4.98)				

	Transactions between JV and Subsidiary	Joint Venture	KMP	Related parties other relations	Companies Controlled by KMP
V. Ramakrishna Sons Pvt Limited					0.08
					(0.04)
Share capital in KCP held by					
Dr. V. L. Indira Dutt			99.70		
			(98.87)		
Smt. V Kavitha Dutt			13.60		
			(13.60)		
Other Relations					
Kum. Shivani Dutt Chitturi				13.50	
				(13.50)	
Smt. Uma S Vallabhaneni				0.10	
				(0.10)	
V. Ramakrishna Sons Pvt Limited					389.56
					(389.56)
VRK Grandsons Investment (Private) Limited					42.49
					(42.49)
Dr. VL Dutt (HUF)				1.14	
				(1.14)	
Loans/Advances held					
By Fives Cail KCP Limited from KCP Vietnam Industries Limited	16.99				
	(2.32)				
Dr V L Indira Dutt			1,395.00		
			(1,310.00)		
Smt. V Kavitha Dutt			450.00		
			(450.00)		
V. Ramakrishna Sons Pvt Limited					670.00
					(270.00)
Sri.V.Chandra kumar				-	
				(0.96)	

(Rs in Lakhs)

	Transactions between JV and Subsidiary	Joint Venture	KMP	Related parties other relations	Companies Controlled by KMP
Sri Chandramoulieswara Nursing Home Trust					-
					(0.36)
Bala Tripurasundari Ammavaru Trust					-
					(0.54)
Deposits held with the company					
Dr V L Indira Dutt			1,913.50		
			(1,433.50)		
Smt. V Kavitha Dutt			101.53		
			(101.53)		
Other Relations					
VL Dutt[HUF]				1,050.00	
				(1,050.00)	
Kum.Shivani Dutt Chitturi				415.00	
				(415.00)	
Commission payable					
Dr. V. L. Indira Dutt			511.24		
			(651.12)		
Smt. V Kavitha Dutt			406.93		
			(445.10)		
Superannuation Payabale					
Dr. V L Indira Dutt			12.15		
			(12.15)		
Payable-Trade Dues					
Dr. V. L. Indira Dutt			39.63		
			(41.28)		
Smt. V Kavitha Dutt			1.16		
			(1.18)		
Other Relations					
Smt.V.Rama Kumari				34.34	
				(35.73)	
Sri.V.Chandra kumar				16.06	
				(16.31)	

(Rs in Lakhs)

	Transactions between JV and Subsidiary	Joint Venture	KMP	Related parties other relations	Companies Controlled by KMP
Smt.Uma.s.Vallabhaneni				35.61	
				(36.25)	
Bala Tripurasundari Ammavaru Trust					41.11
					(42.88)
Sri V Ramakrishna Higer Secondary School					34.10
					-
V Ramakrishna Charitable Trust					7.11
					-

Note: Figures in brackets under Note no.44 (Annexure-I) related to previous year.

(Rs in Lakhs)

Note 47. Segment Report under IND AS 108 as at March 31, 2022 Annexure - II

Particulars	Engineering		Cement		Power		Hotel		Sugar		Others		Elimination		Consolidated	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Revenue																
Revenue from Operations	8,448	8,903	1,48,328	1,20,004	13,243	15,462	1,361	573	50,721	36,466	120	459	-	-	2,22,221	1,81,867
Other Income	386	132	395	271	20	8	2	35	1,914	17	5,614	3,148	(4,474)	(3,048)	3,857	561
Less : Inter Segment Sales	8,834	9,035	1,48,723	1,20,275	13,263	15,470	1,362	608	52,635	36,483	5,734	3,607	(4,474)	(3,048)	2,26,077	1,82,428
	-	-	-	-	9,993	9,284	-	-	1,407	2,762	-	-	-	-	11,400	12,046
Result	8,834	9,035	1,48,723	1,20,275	3,270	6,186	1,362	608	51,228	33,721	5,734	3,607	(4,474)	(3,048)	2,14,677	1,70,382
Segment Result	(2,110)	(920)	18,740	23,729	547	418	(421)	(949)	15,681	7,545	2	(8)	(4,474)	(3,048)	27,964	26,767
Less : Unallocated Corporate Expenses	-	-	-	-	-	-	-	-	-	-	(4,613)	(3,091)	-	-	(4,613)	(3,091)
Operating Profit / (Loss)	(2,110)	(920)	18,740	23,729	547	418	(421)	(949)	15,681	7,545	4,615	3,083	(4,474)	(3,048)	32,577	29,857
Less : Interest Expenses															(3,385)	(4,637)
Less : Tax Provisions															29,192	25,220
Current Tax															5,261	3,812
Deferred Tax															17	4,325
MAT Entitlement Credit															-	(1,793)
Total Tax Expense Profit/(Loss) from Continuing Operations															5,278	6,343
Profit/(Loss) from Discontinued Activities															23,914	18,877
Less : Current Tax of Discontinued Operations															-	-
Profit After Tax of Discontinued Operations															-	-

ANNEXURE-III Referred in Note No.52

Note 52A. Financial Assets & Financial Liabilities & their Fair Values Financial instruments - Fair values and risk management

The following tables show the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

Levels in Fair value Hierarchy

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: inputs, other than quoted prices which are included in Level 1, that are observable for the asset or liability, either directly (i.e as prices) or indirectly (i.e derived from prices)

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at 31st March,2022

(Rs in Lakhs)

Particulars	Note	Carrying amount						Fair value						
		Fair value hedging instruments	Financial assets -FVTOCI	Financial assets -FVTPL	Financial assets- Amortised cost	Financial liabilities- amortised cost	Total	Level 1	Level 2	Level 3	Total			
Financial instruments measured at fair value														
Investments	6	-	19.90	-	1,125.09	-	1,144.99	19.90	-	-	19.90			
Financial assets not measured at fair value														
Trade receivables-	7 &11	-	-	-	11,606.95	-	11,606.95	-	-	-	-			
Cash and Cash Equivalents	12	-	-	-	382.78	-	382.78	-	-	-	-			
Bank balances other than above	12A	-	-	-	56,819.65	-	56,819.65	-	-	-	-			
Staff Advances	13	-	-	-	30.79	-	30.79	-	-	-	-			
Other Financial assets					-	-	-	-	-	-	-			
EMD	8	-	-	-	4.50	-	4.50	-	-	-	-			
Bank balances with Maturity more than 12 months	8	-	-	-	6,733.30	-	6,733.30	-	-	-	-			

(Rs in Lakhs)

Particulars	Note	Carrying amount						Fair value			
		Fair value hedging instruments	Financial assets -FVTOCI	Financial assets -FVTPL	Financial assets- Amortised cost	Financial liabilities- amortised cost	Total	Level 1	Level 2	Level 3	Total
Interest accrued on other deposits	13	-	-	-	14.07	-	14.07	-	-	-	-
Interest accrued on fixed deposits	13	-	-	-	14.28	-	14.28	-	-	-	-
Due from Gratuity Trust	13	-	-	-	2.52	-	2.52	-	-	-	-
Non trade receivables from JV	13	-	-	-	0.82	-	0.82	-	-	-	-
Contract Assets	13	-	-	-	1,171.31	-	1,171.31	-	-	-	-
Others (Employee Benefit Plan)	13	-	-	31.62	-	-	31.62	-	-	-	31.62
Total		-	19.90	31.62	77,906.08	-	77,957.60	51.52	-	-	51.52
Financial liabilities not measured at fair value											
Borrowings	18 & 23	-	-	-	-	43,432.41	43,432.41	-	-	-	-
Trade payables	19 & 24	-	-	-	-	10,246.72	10,246.72	-	-	-	-
Other financial liabilities (Non Current)	20	-	-	-	-	5,982.08	5,982.08	-	-	-	-
Accrued salaries and benefits	25A	-	-	-	-	1,494.73	1,494.73	-	-	-	-
Payable to director	25A	-	-	-	-	918.16	918.16	-	-	-	-
Outstanding liabilities for expenses	25A	-	-	-	-	-	-	-	-	-	-
Others	25A	-	-	-	-	20,040.22	20,040.22	-	-	-	-
Lease Liability	-	-	-	-	-	254.33	254.33	-	-	-	-
Total		-	-	-	-	82,368.66	82,368.66	-	-	-	-

(Rs in Lakhs)

As at 31st March, 2021

Particulars	Note	Carrying amount					Fair value								
		Fair value hedging instruments	Financial assets -FVTOCI	Financial assets -FVTPL	Financial assets- Amortised cost	Financial liabilities- amortised cost	Total	Level 1	Level 2	Level 3	Total				
Financial instruments measured at fair value															
Investments	6	-	17.16	-	1,079.71	-	-	17.16	-	-	1,096.87	17.16	-	-	17.16
Financial assets not measured at fair value															
Trade receivables	7 & 11	-	-	-	12,099.99	-	-	-	-	-	12,099.99	-	-	-	-
Cash and Cash Equivalents	12	-	-	-	309.13	-	-	-	-	-	309.13	-	-	-	-
Bank balances other than above	12A	-	-	-	43,567.11	-	-	-	-	-	43,567.11	-	-	-	-
Staff Advances	13	-	-	-	35.80	-	-	-	-	-	35.80	-	-	-	-
Other Financial assets															
EMD	8	-	-	-	12.14	-	-	-	-	-	12.14	-	-	-	-
Bank balances with Maturity more than 12 months	8	-	-	-	782.25	-	-	-	-	-	782.25	-	-	-	-
Interest accrued on other deposits	13	-	-	-	11.83	-	-	-	-	-	11.83	-	-	-	-
Interest accrued on fixed deposits	13	-	-	-	32.22	-	-	-	-	-	32.22	-	-	-	-
Due from Gratuity Trust	13	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non trade receivables from JV	13	-	-	-	0.04	-	-	-	-	-	0.04	-	-	-	-
Contract Assets	13	-	-	-	456.45	-	-	-	-	-	456.45	-	-	-	-
Others	13	-	-	-	0.00	-	-	-	-	-	0.00	-	-	-	-
Total		-	17.16	-	58,386.67	-	-	17.16	-	-	58,403.83	17.16	-	-	17.16
Financial liabilities not measured at fair value															
Borrowings	18 & 23	-	-	-	-	-	-	-	-	-	46,563.48	-	-	-	-
Trade payables	19 & 24	-	-	-	-	-	-	-	-	-	10,059.71	-	-	-	-
Other financial liabilities (Non Current)	20	-	-	-	-	-	-	-	-	-	4,456.43	-	-	-	-
Accrued salaries and benefits	25A	-	-	-	-	-	-	-	-	-	1,346.40	-	-	-	-
Payable to directors	25A	-	-	-	-	-	-	-	-	-	1,096.21	-	-	-	-
Outstanding liabilities for expenses	25A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others	25A	-	-	-	-	-	-	-	-	-	15,404.30	-	-	-	-
Lease Liability	-	-	-	-	-	-	-	-	-	-	279.85	-	-	-	-
Total		-	-	-	-	-	-	-	-	-	79,206.38	-	-	-	-

Note 52 B Financial instruments - Fair values and risk management

Financial risk management objectives and policies

Group activities exposed it to market risk (including interest rate risk and price risk), credit risk and liquidity risk. The Company's risk management is carried out by the Board of Directors. The board supervises overall risk management, as well as policies covering specific areas, such as foreign exchange risk, credit risk and use of financial instruments. The financial authority limits or seek to limit and mitigate transactional risks by setting out the threshold of approvals required for entering into contractual obligations.

a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices, such as foreign exchange rates, interest rates and equity prices.

b) Interest rate risk

Group exposure to market risk for changes in interest rate environment relates mainly to its debt obligations.

Group policy is to maintain an efficient and optimal interest cost structure using a mix of fixed and variable rate debts and long-term and short-term borrowings. The Company's borrowings mostly consists of loans for funding the projects, working capital loans with variable rate of interest and public deposits & demand loans with fixed rates of interest.

The interest rate profile of the Company's interest-bearing instruments is as follows.

(Rs in Lakhs)

Particulars	31.03.2022	31.03.2021
Fixed rate instruments		
Financial liabilities	7,417.38	7,332.05
Financial assets	63,327.68	44,164.10
Variable rate instruments		
Financial liabilities	36,015.03	39,231.43
Total financial liabilities (Net)	(19,895.27)	2,399.38

i) Sensitivity analysis

Particulars	Impact on profit or loss	
	31.03.2022	31.03.2021
1% increase in MCLR rate	(360)	(392)
1% decrease in MCLR rate	360	392

ii) Fair value

The following methods and assumptions were used to estimate the fair values:

- The carrying value of financial asset approximates fair value

iii) Credit risk

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or customer contract, leading to financial loss. The credit risk arises principally from its operating activities (primary trade receivables) and from its investing activities, including deposits with banks and other financial instruments. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom credit has been granted after obtaining necessary approvals for credit. The collection from the trade receivables are monitored on a continuous basis by the receivables team.

Group credit risk for trade receivables is as follows

(Rs in Lakhs)

Particulars	31.03.2022	31.03.2021
Trade receivables	11,606.95	12,099.99

The movement in allowance for credit loss in respect of trade receivables during the year is as follows:

Allowance for credit loss	31.03.2022	31.03.2021
Balance at the beginning	10.79	5.61
Impairment loss recognised	(1.83)	5.18
Balance at the end	8.96	10.79

No single customer accounted for more than 10% of the revenue as of 31.03.2022 and 31.03.2021.

There is no significant concentration of credit risk.

Credit risk on cash and cash equivalent is limited as the company generally transacts with banks and financial institutions with high credit ratings assigned by credit rating agencies.

Note 52 C. Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its obligations associated with its financial liabilities that are settled by delivering cash or another financial asset as they fall due. The Group is exposed to this risk from its operating activities and financial activities. The Group's approach to managing liability is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Liquidity requirements are maintained within the credit facilities established and are available to the company to meet its obligations.

The table now provides details regarding the contractual maturities of significant financial liabilities as of the reporting date.

As at March 31, 2022

Particulars	Carrying value	Contractual cash flows				Total
		Less than 1 year	1-2 years	2-5 years	More than 5 years	
Borrowings (Non current)	17,889.24	-	8,208.85	9,680.39	-	17,889.23
Current maturities of long term borrowings	8,807.25	8,807.25	-	-	-	8,807.25
Financial liabilities (Non current)	6,231.68	-	6,231.68	-	-	6,231.68
Cash credit and demand loans	16,735.92	16,735.92	-	-	-	16,735.92
Trade payables (current)	10,246.72	10,246.72	-	-	-	10,246.72
Trade payables (non -current)	-	-	-	-	-	-
Other financial liabilities(Cur-rent)	22,457.84	22,457.84	-	-	-	22,457.84
	82,368.66	58,247.73	14,440.53	9,680.39	-	82,368.65

As at 31st March 2021

(Rs in Lakhs)

Particulars	Carrying value	Contractual cash flows				Total
		Less than 1 year	1-2 years	2-5 years	More than 5 years	
Borrowings (Non current)	24,775.61	-	9,316.80	15,458.81	-	24,775.60
Current maturities of long term borrowings	11,422.95	11,422.95	-	-	-	11,422.95
Financial liabilities (Non current)	4,705.08	-	4,705.08	-	-	4,705.09
Cash credit and demand loans	10,364.92	10,364.92	-	-	-	10,364.92
Trade payables (current)	9,788.45	9,788.45	-	-	-	9,788.45
Trade payables (non -current)	271.26	-	271.26	-	-	271.26
Other financial liabilities(Current)	17,878.11	17,878.11	-	-	-	17,878.11
	79,206.38	49,454.43	14,293.14	15,458.81	-	79,206.38

Note 52 D. Foreign exchange risk

The Group imports Coal, Gypsum and Chromo sand for its production operations and exports Cement, Engineering equipments.

The impact of foreign exchange rate variation (US \$) on its segments performance, assuming no change in other parameters like price and quantity of imports, is as follows.

(Rs in Lakhs)

Particulars	Impact on profit	
	2021-2022	2020-2021
Increase in Exchange Rate by Re.1		
Cement	(44.82)	(63.95)
Captive Power Plant	0.00	(12.87)
Engineering	0.00	0.00
Decrease in Exchange Rate by Re.1		
Cement	44.82	63.95
Captive Power Plant	0.00	12.87
Engineering	0.00	0.00

E. Commercial risk

Sale price risk

(Rs in Lakhs)

Particulars	Impact on profit	
	2021-2022	2020-2021
Selling price increase by 5%		
Cement	7,414.78	5,983.05
Sugar	2,309.91	1,688.31
Power	303.52	306.11
Engineering	375.99	417.13
Hospitality & other Services	136.84	68.08
	10,541.04	8,462.67
Selling price decrease by 5%		
Cement	(7,414.78)	(5,983.05)
Sugar	(2,309.91)	(1,688.31)
Power	(303.52)	(306.11)
Engineering	(375.99)	(417.13)
Hospitality & other Services	(136.84)	(68.08)
	(10,541.04)	(8,462.67)

Raw material price risk

Particulars	Impact on profit	
	2021-2022	2020-2021
Raw material price increase by 5%		
Cement		
Limestone	(953.42)	(785.98)
Laterite	(75.52)	(54.97)
Fly Ash	(137.40)	(98.79)
Gypsum	(164.34)	(109.69)
Sugar		
Sugarcane	(1,620.68)	(1,147.56)
Engineering		
Iron and Stee.I, Nickel and Scrap	(198.76)	(91.57)
	(3,150.13)	(2,288.56)



(Rs in Lakhs)

Particulars	Impact on profit	
	2021-2022	2020-2021
Raw material price decrease by 5%		
Cement		
Limestone	953.42	785.98
Laterite	75.52	54.97
Fly Ash	137.40	98.79
Gypsum	164.34	109.69
Sugar		
Sugarcane	1,620.68	1,147.56
Engineering		
Iron and Steel, Nickel and Scrap	198.76	91.57
	3,150.13	2,288.56



The KCP Limited

“Ramakrishna Buildings”,

2, Dr. P.V. Cheriau Crescent, Egmore, Chennai - 600 008. India

Phone: +91 44 66772600 | E-Mail: investor@kcp.co.in | www.kcp.co.in

CIN: L65991TN1941PLC001128

NOTICE

Notice is hereby given that the **81st Annual General Meeting (AGM) of the company** will be held on Wednesday the 10th August, 2022 at 10-30 AM (IST) through Video Conferencing/Other Audio-Visual Means (“VC/OAVM”), to transact the following business. The venue of the meeting shall be deemed to be the Registered Office of the Company at No. 2, Dr. P.V. Cheriau Crescent, Egmore, Chennai-600008.

Ordinary Business

1. To receive, consider and adopt the audited financial statements (including audited consolidated financial statements) for the financial year ended March 31, 2022 and the Reports of the Board of Directors and Auditors thereon.
2. To consider, declaration of Dividend for the year 2021-22
3. To appoint a Director in place of Sri. V. Chandra Kumar Prasad (DIN: 008744154), who retires by rotation and being eligible, offers his candidature for re-appointment.
4. To appoint a Director in place of Dr. Subbarao Vallabhaneni (DIN: 008746927), who retires by rotation and being eligible, offers his candidature for re-appointment.
5. To appoint a Director in place of Sri. Ravi Chitturi (DIN: 00328364), who retires by rotation and being eligible, offers his candidature for re-appointment.

Special Business

6. Ratification of Remuneration to Cost Auditors.

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration payable to M/s. Narasimha Murthy & Co., Cost Accountants, Hyderabad (Firm Registration No.000042), appointed by the Board of Directors on the recommendation of the Audit Committee, as Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year ending March 31, 2023 for the product **Cement**, amounting to Rs.8.50 lakhs (Rupees Eight lakhs and Fifty Thousand Only) plus applicable taxes and reimbursement for out of pocket expenses incurred in connection with the aforesaid audit, be and is hereby ratified.”

“FURTHER RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration payable to M/s. S. Mahadevan & Co, Cost Accountants, Chennai (Firm Registration No. 000007), appointed by the Board of Directors on the recommendation of the Audit Committee, as Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year ending March 31, 2023 for **Engineering products**, amounting to Rs.3.00 lakhs (Rupees Three lakhs Only) plus applicable taxes and reimbursement for out of pocket expenses incurred in connection with the aforesaid audit, be and is hereby ratified.”

Notes:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (‘the Act’) relating to the Special Business to be transacted at the Annual General Meeting (‘AGM’) is annexed hereto.
2. In view of continuing social distancing norms due to Covid-19, the Ministry of Corporate Affairs (MCA), vide its General Circular Nos. 14/2020 dated 8th April, 2020, 17/2020 dated 13th April, 2020, 20/2020 dated 5th May, 2020, the latest being 2/2022 dated 5th May, 2022 and Securities Exchange Board of India (SEBI) vide its Circular No. SEBI/HO/CFD/CMD2/CIRP/P/2022/62 dated 13th May, 2022, and other applicable circulars issued in this regard, have allowed the companies to conduct AGM through VC/OAVM till 31st December, 2022 without physical presence of Members at a common venue. In accordance with the applicable provisions of the Act and the said Circulars of MCA and SEBI, the 81st AGM of the Company shall be conducted exclusively through VC/OAVM. National Securities Depositories Limited (‘NSDL’) will be providing facility for voting through remote e-voting, for participation in the AGM through VC/OAVM facility and e-voting during the AGM. The procedure for participating in the meeting through VC/OAVM is explained at Note No. 13 below and is also available on the website of the Company at www.kcp.co.in.
3. As the AGM shall be conducted through VC/OAVM, the facility for appointment of Proxy by a Member is not

available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.

4. However, Institutional/Corporate Members are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and cast their votes through e-voting. Institutional/Corporate Members are requested to send a scanned copy (PDF/ JPEG format) of the Board Resolution authorizing its representatives to attend and vote at the AGM, pursuant to Section 113 of the Act, to Scrutinizer at akjainassociates@gmail.com and to evoting@nsdl.co.in.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday 4th August, 2022 to Wednesday 10th August, 2022 (both days inclusive) for the AGM of the Company.

Electronic Dispatch of Annual Report and Process for Registration Of E-Mail ID:

6. In accordance with the circulars issued by MCA and SEBI, the Notice of the 81st AGM along with the Annual Report 2021-22 is being sent by electronic mode to Members whose e-mail id is registered with the Company or the Depository Participants (DPs).

Pursuant to the applicable MCA and SEBI circulars, the requirement of sending physical copy of the Notice and Annual Report to the members has been dispensed with.

7. Members holding shares in physical form and who have not updated their e-mail ids with the Company are requested to update their e-mail ids by writing to the Registrar & Share Transfer Agents (RTA) at yuvraj@integratedindia.in along with the copy of the signed request letter mentioning the name and address of the Member, self-attested copy of the PAN card, and self-attested copy of any document (eg.: Driving License, Voter Identity Card, Passport) in support of the address of the Member. Members holding shares in dematerialised (demat) mode are requested to register/update their e-mail addresses with the relevant DPs. In case of any queries/difficulties in registering the e-mail address, Members may write to yuvraj@integratedindia.in.
8. The Notice of 81st AGM along with the Annual Report for the financial year 2021-22, is available on the website of the Company at www.kcp.co.in, on the website of Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited and on the website of NSDL at www.evoting.nsdl.com.

Procedure For Remote E-Voting And E-Voting During The AGM:

9. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management





and Administration) Rules, 2014 (as amended), Regulation 44 of Listing Regulations (as amended) and applicable Circulars, the Company is pleased to provide the facility to Members to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL), as the authorised agency for facilitating voting through electronic means. The facility of casting votes by a Member using remote e-voting system as well as e-voting on the date of the AGM will be provided by NSDL.

10. The Members, whose names appear in the Register of Members/list of Beneficial Owners as on **Wednesday, August 3, 2022** i.e. a day prior to commencement of book closure date, being the **cut-off date**, are entitled to vote on the Resolutions set forth in this Notice. The voting right of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date. A person who is not a member as on the cut-off date should treat this Notice of AGM for information purpose only.
11. Members may cast their votes through electronic voting system from any place (remote e-voting). The remote e-voting period will commence at 9.00 a.m. (IST) on **Saturday, August 6, 2022** and will end at 5.00 p.m. (IST) on **Tuesday, August 9, 2022**. In addition, the facility for voting through e-voting system shall also be made available during the AGM. Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to cast their vote through e-voting during the AGM. Members who have voted through remote e-voting shall be eligible to attend the AGM, however, they shall not be eligible to vote at the meeting. Members holding shares in physical form are requested to access the remote e-voting facility provided by the Company through NSDL e-voting system at <https://www.evoting.nsdl.com/>.
12. The detailed instructions and the process for accessing and participating in the 81st AGM through VC/OAVM facility and voting through electronic means including remote e-voting are explained herein below:

Step 1: Access to NSDL e-voting system:

Pursuant to SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020 on 'e-voting facility provided by Listed Companies', e-voting process has been enabled for all the individual demat account holders, through their demat account maintained with DPs. Members are advised to update their mobile number and e-mail id in their demat accounts in order to access e-voting facility. Individual demat account holders would be able to cast their vote without having to register again with the e-voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-voting process

a) Login method for e-voting and joining virtual AGM for individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
<p>Individual Shareholders holding securities in demat mode with NSDL.</p>	<p>Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p> <p>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <div style="text-align: center;"> <p>NSDL Mobile App is available on</p>  App Store  Google Play</div> <div style="display: flex; justify-content: space-around; margin-top: 10px;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi.</p> <p>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</p> <p>If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</p>

Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
--	--

Important Note:

Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website. For Technical Assistance: Members facing any technical issues related to login may reach out the respective depositories helpdesk by sending a request on the e-mail id's or contact on the phone nos. provided below:

NSDL	CDSL
E-mail: evoting@nsdl.co.in	E-mail: helpdesk.evoting@cdslindia.com
Toll free no.: 1800 1020 990 /1800 22 44 30	Phone No.: 022-23058738 /022-23058542/43

b) Login method for e-voting and joining virtual AGM for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical form.

How to Log-in to NSDL e-voting website?

- Visit the e-voting website of NSDL. Open web browser by typing the URL: <https://www.evoting.nsdl.com/>.
- Once the home page of e-voting system is launched, click on the icon 'Login' which is available under 'Shareholders/ Members' section.
- A new screen will open. You will have to enter your User ID, Password and a Verification Code as shown on the screen
Alternatively, if you are registered for NSDL e-services i.e. IDEAS, you can log-in at [https:// eservices.nsdl.com/](https://eservices.nsdl.com/) with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. Cast your vote electronically.
- Your User ID details are given below.

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example: if your DP ID is IN300*** and Client ID is 12***** then your User ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example: if your Beneficiary ID is 12***** then your User ID is 12*****
c) For Members holding shares in Physical Form	EVEN number followed by folio number registered with the Company For example: if folio number is 001*** and EVEN is 123456 then your User ID is 123456001***

- Your password details are given below:
 - If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
 - If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - How to retrieve your 'initial password'?
If your e-mail ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your e-mail ID. Trace the e-mail sent to you from NSDL from your mailbox. Open the e-mail and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or **folio number** for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
- If you are unable to retrieve or have not received the 'initial password' or have forgotten your password:
 - Click on 'Forgot User Details/Password?' - If you are holding shares in your demat account with NSDL or CDSL,

option for reset password is available on www.evoting.nsdl.com.

- ii. Physical User Reset Password? - If you are holding shares in physical form, option for reset password is available on www.evoting.nsdl.com.
 - iii. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, PAN, name and registered address.
 - iv. Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.
- g. After entering your password, tick on Agree to 'Terms and Conditions' by selecting on the check box.
 - h. Now, you will have to click on 'Login' button.
 - i. After you click on the 'Login' button, home page of e-voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-voting system.

a) How to cast your vote electronically and join AGM on NSDL e-voting system?

- (a) After successful login at Step 1, you will be able to see all the companies 'EVEN' in which you are holding shares and whose voting cycle and General Meeting is in active status.
- (b) Select 'EVEN' of Company for which you wish to cast your vote during the remote e-voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on 'VC/OAVM' link placed under 'Join General Meeting'.
- (c) Now you are ready for e-voting as the voting page opens.
- (d) Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on 'Submit' and also 'Confirm' when prompted.
- (e) Upon confirmation, the message 'Vote cast successfully' will be displayed.
- (f) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- (g) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

b) Process for those Shareholders whose e-mail ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this Notice:

- (a) Members whose shares are held in physical form are requested to provide folio no., name of shareholder, PAN (self attested scanned copy of PAN card),

AADHAR (self attested scanned copy of Aadhar Card) by e-mail to yuvraj@integratedindia.in.

- (b) Members whose shares are held in demat mode are requested to provide DPID-CLID (16-digit DPID + CLID or 16 digit beneficiary ID), name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to yuvraj@integratedindia.in. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. Login method for e-voting and joining virtual meeting for Individual Shareholders holding securities in demat mode.
- (c) Alternatively, Shareholder/Members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
- (d) In terms of SEBI circular dated 9th December, 2020 on e-voting facility provided by Listed Companies, Individual Shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and DPs. Shareholders are required to update their mobile number and e-mail ID correctly in their demat account in order to access e-voting facility.

c) The instructions for members for e-voting on the day of the AGM are as under:

- (a) The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- (b) Only those Members, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.
- (c) Members who have voted through remote e -voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- (d) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call to Ms. Pallavi Mhatre, Senior Manager-NSDL on 1800 22 44 30/ Email id: evoting@nsdl.co.in.

Procedure For Joining The AGM Through VC/OAVM:

13. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-voting system. Members may access by following the steps mentioned above for access to NSDL e-voting system. After successful login, Members may click on VC/OAVM link available under the '**Join General Meeting**' menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be

displayed. Please note that the Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice.

14. Members are encouraged to join the Meeting through laptops for better experience.
15. Members joining the AGM from their mobile devices or tablets or through laptops connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
16. Facility for joining the AGM through VC/OAVM for Members shall open 30 minutes before the time scheduled for the AGM and shall be kept open throughout the AGM proceedings.
17. Institutional Members are encouraged to attend the AGM through VC/OAVM and cast their votes using the e-voting facility including remote e-voting. Institutional Members can write to yuvraj@integratedindia.in in case of any issues faced by them for participating in the AGM.
18. Members, who need assistance before or during the AGM, may:
 - Send a request at evoting@nsdl.co.in or use toll free no.: 1800 1020 990 or 1800 224 430; or
 - Contact Ms. Pallavi Mhatre, Senior Manager-NSDL on 1800 22 44 30/ Email id: evoting@nsdl.co.in

Procedure To Raise Questions/Seek Clarifications With Respect To Annual Report:

19. Members who would like to express their views or ask questions may register themselves as a **Speaker** by sending the request along with their queries in advance mentioning their name, demat account number / folio number, email id and mobile number at vijaycs@kcp.co.in. Only those speaker registration requests received till 5.00 pm (IST) on **Saturday, August 6, 2022** will be considered and responded to during the AGM. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.

General Information:

20. It is strongly recommended that Members take utmost care to keep their password confidential and not to share their password with any other person. Login to the e-voting system shall be disabled upon five unsuccessful attempts to key in the correct password. In such an event, Members are advised to use the 'Forgot User Details/Password' or 'Physical User Reset Password' option available on www.evoting.nsdl.com to reset the password.
21. The Company has appointed Sri. Balu Sridhar, Practicing Company Secretary (FCS 5869 and CP No. 3550), or failing him Sri. Pankaj Mehta (ACS 29407 and CP No. 10598), partners A.K.Jain & Associates, Chennai to act

as the Scrutinizer, to scrutinize the entire e-voting process in a fair and transparent manner.

22. The results of the e-voting shall be declared to the Stock Exchanges after the conclusion of AGM. The results along with the Scrutinizer's Report, shall also be placed on the website of the Company at www.kcp.co.in.

Procedure For Inspection of Documents:

23. All the documents referred to in the accompanying Notice and Explanatory Statement shall be available for inspection through electronic mode.
24. During the AGM, the Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act, the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Act shall be available for inspection upon login at NSDL e-voting system at <https://www.evoting.nsdl.com>.

Dividend Related Information:

25. The dividend as recommended by the Board of Directors for the financial year ended March 31, 2022, if approved at the AGM, will be payable to those Members of the Company who hold shares:
 - (i) In demat mode, based on the list of beneficial owners to be received from NSDL and CDSL as at the close of business hours on Wednesday, August 03, 2022, being the cut-off date.
 - (ii) In physical form, if the names appear in the Company's Register of Members as on Wednesday, August 03, 2022, being the cut-off date.

The dividend will be payable on or after Thursday, August 25, 2022.

26. Members holding shares in demat mode are hereby informed that bank particulars registered with their respective DPs, with whom they maintain their demat accounts, will be used by the Company for the payment of dividend. Members holding shares in demat mode are requested to intimate any change in their address and/or bank mandate to their DPs only, as the Company or its Registrar cannot act on any request received directly on the same.
27. Members holding shares in physical form are requested to intimate any change of address and/ or bank mandate to the Registrar & Share Transfer Agents, M/s. Integrated Registry Management Services Private Limited, II Floor, "Kences Towers", No.1 Ramakrishna Street, North Usman Road, T Nagar, Chennai – 600 017, Ph No. 44- 28140801-803, Fax No. 044-28142479, link <https://www.integratedindia.in/emailupdate.aspx>. from their registered email id. In case the Company is unable to pay the dividend to any shareholder by the electronic mode, due to non-availability of bank mandate, the Company shall dispatch the dividend warrant to such shareholder by post in due course.
28. Members may note that as per the Income Tax Act, 1961, dividend income is taxable in the hands of the Members and the Company is required to deduct tax at source ('TDS') from dividend paid to the Members at

rates prescribed in the Income Tax Act, 1961. In order to enable the Company to determine the appropriate TDS rate as applicable, Members are requested to submit the documents in accordance with the provisions of the Income Tax Act, 1961 and Rules thereto.

a) **For Resident Members:** Tax at source shall be deducted under Section 194 of the Income Tax Act, 1961 at 10% on the amount of dividend declared and paid by the Company during financial year 2022-23, subject to PAN details registered/updated by the Member. If PAN is not registered/updated in the demat account/folio as on the cut-off date, TDS would be deducted @20% as per Section 206AA of the Income Tax Act, 1961. No tax at source is required to be deducted, if during the financial year, the aggregate dividend paid or likely to be paid to an individual member does not exceed `5,000 (Rupees Five Thousand Only). Further, in cases where the shareholder provides Form 15G (applicable to any person other than a Company or a Firm)/Form 15H (applicable to an Individual above the age of 60 years), provided that the eligibility conditions are being met, no TDS shall be deducted. Notwithstanding the above, in case PAN of any Member falls under the category of 'Specified Person', the Company shall deduct TDS @20% as per Section 206AB of the Income Tax Act 1961.

b) **For Non-Resident Members:** Tax at source shall be deducted under Section 195 of the Income-tax Act, 1961 at the applicable rates. As per the relevant provisions of the Income-tax Act, 1961, the withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) on the amount of dividend payable to non-resident Members. As per Section 90 of the Income Tax Act, 1961, Members may be entitled to avail lower TDS rate as per Double Taxation Avoidance Agreement (DTAA).

To avail the Tax Treaty benefits, the non-resident Member will have to provide the following:

- Self-attested copy of Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the Member is a resident.
- Self-declaration in Form 10F if all the details required in this form are not mentioned in the TRC.
- Self-attested copy of the Permanent Account Number (PAN Card) allotted by the Indian Income Tax authorities, if any.

Self-declaration, certifying the following points:

- i. Member is and will continue to remain a tax resident of the country of its residence during the financial year 2022-23;
- ii. Member is eligible to claim the beneficial DTA A rate for the purposes of tax withholding on dividend declared by the Company;
- iii. Member has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner;

- iv. Member is the ultimate beneficial owner of its shareholding in the Company and dividend receivable from the Company; and
- v. Member does not have a taxable presence or a permanent establishment in India during the financial year 2022-23.

29. Notwithstanding the above, in case PAN falls under the category of 'Specified Person', Member is mandatorily required to submit a declaration providing status of Permanent Establishment in India for financial year 2022-23. As per Section 206AB of the Income Tax Act 1961, if the said declaration is not furnished, the Company shall deduct tax at source at twice the applicable rate referred above.

30. The Company shall not be obligated to apply the beneficial DTAA rates at the time of tax deduction/ withholding on dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and satisfactory review by the Company of the documents submitted by the Non-Resident Member.

31. In order to enable the Company to determine the appropriate TDS/withholding tax rate applicable, Members are requested to provide the aforesaid details and documents on or before **Saturday, August 06, 2022** at <https://www.integratedindia.in/ExemptionFormSubmission.aspx>.

No communication on the tax determination/ deduction shall be entertained post **Saturday, August 06, 2022**. Members may note that in case the tax on said dividend is deducted at a higher rate due to non-receipt of the aforementioned details/ documents, there would still be an option available to the Member to file the return of income and claim an appropriate refund, if eligible.

32. In accordance with the provisions of the Income Tax Act 1961, TDS certificates can be made available to the Members at their registered e-mail ID after filing of the quarterly TDS Returns of the Company, post payment of the said dividend.

33. The Company had sent a separate e-mail communication on **Saturday, July 09, 2022** informing the Members regarding the relevant procedure to be adopted by the Members to avail the applicable tax rate as per the Income Tax Act, 1961.

Other Information:

34. Members of the company had approved the appointment of M/s. K.S.Rao & Co, Chartered Accountants, Hyderabad as the Statutory Auditors at the 80th AGM of the Company for a period of five years. In accordance with the Act, the appointment of Statutory Auditors is not required to be ratified at every AGM.

35. In terms of Section 152 of the Act, Sri. V. Chandrakumar Prasad, Dr. Subbarao Vallabhaneni and Sri. Ravi Chitturi the Non-executive and Non – Independent directors of the company are liable to retire by rotation at this AGM and being eligible, offer themselves for re-election.

36. Details as required in Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India (ICSI) in respect of the Directors seeking re-appointment at the AGM are provided as **Annexure I**.

Requisite declarations have been received from the Directors seeking appointment/re-appointment.

The Chairperson & Managing Director, Joint Managing Director and Independent Directors of the Company have been appointed for a fixed term, who shall not retire by rotation.

37. In terms of requirements of Section 124(6) of the Act read with Investor Education and Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company is required to transfer the shares, in respect of which the dividend remains unpaid or unclaimed for a period of seven consecutive years or more, to the IEPF Account established by the Central Government. The details of the unpaid/unclaimed dividend amounts lying with the Company as on March 31, 2022 are available on the website of the Company at www.kcp.co.in and on the website of MCA. Member(s) whose dividends/shares are transferred to the IEPF can now claim the same from the IEPF Authority by following the refund procedure as detailed on the IEPF website <http://iepf.gov.in/IEPF/refund.html>.

38. SEBI vide its Circular dated November 03, 2021 has mandated registration of PAN, KYC details and Nomination, by holders of physical securities. Members holding shares in physical form is requested to submit their PAN, KYC details and Nomination details by sending a duly filled and signed **Form ISR-1** to M/s. Integrated Registry Management Services Private Limited, II Floor, "Kences Towers", No.1 Ramakrishna Street, North Usman Road, T Nagar, Chennai – 600 017, Ph No. 44- 28140801-803, Fax No. 044-28142479 or by email to yuvraj@integratedindia.in from their registered email ids.

39. Regulation 40 of Listing Regulations, as amended, mandates that transfer, transmission and transposition of securities of listed companies held in physical form shall be effected only in demat mode. Further, SEBI, vide its Circular dated 25th January, 2022, has clarified that listed companies, with immediate effect, shall issue the securities only in demat mode while processing investor service requests pertaining to issuance of duplicate shares, exchange of shares, endorsement, sub-division/ consolidation of share certificates, etc. In view of this as also to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to demat mode.

40. Shareholders who have not yet en-cashed their dividend warrants for the years 2014-21 may approach the Company for revalidation, issue of duplicate warrants etc quoting the Folio Number/Client ID. Please note that as per section 125 of the Companies Act, 2013 dividend which remains unpaid/unclaimed over a period of 7 years has to be transferred by the company to the Investor Education & protection Fund (IEPF).

Information in respect of such unclaimed dividend when due for transfer to the Investor Education & protection Fund is given below: -

Financial Year	Meeting No	Type of Dividend	Dividend on Equity %	Dividend declaration date (AGM date / BM date)	Due date for remittance to IEPF (7years)	Max date for remittance to IEPF (67days) (DUE DATE)
2014-15	74	Final Dividend	75%	12-Aug-15	12-Aug-22	18-Oct-22
2015-16	75	Interim Dividend	100%	10-Mar-16	10-Mar-23	09-Apr-23
2016-17	76	Final Dividend	200%	31-Aug-17	31-Aug-24	06-Nov-24
2017-18	77	Final Dividend	100%	30-Jul-18	30-Jul-25	05-Oct-25

Note: Remittance to IEPF after 7 YEARS +67 DAYS for Final dividend and 7years +30 days for Interim dividend/ Special Dividend

41. Pursuant to Section 124(6) of the Companies Act, 2013 the Company has to transfer all shares in respect of which dividend has not been claimed by the shareholders for seven consecutive years or more to Investor Education and Protection Fund (IEPF) and pursuant to Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules 2017 ('IEPF Rules') the details of such shares transferred to IEPF authority during the year 2021-22 is provided in Corporate Governance Report.

Explanatory Statement in Respect of the Special Business Pursuant to Section 102 of the Companies Act, 2013:

Item No. 6

The Board of Directors of the Company, on the recommendation of Audit Committee, approved the appointment of M/s. Narasimha Murty & Co., Cost Accountants (Firm Registration No. 000047) as the Cost Auditors of the Company, to conduct the audit of the cost records for the product Cement for the financial year ending March 31, 2023 at a remuneration of Rs.8.50 lakhs (Rupees Eight Lakhs and Fifty Thousand only) plus payment of applicable taxes and reimbursement of out-of-pocket expenses incurred by the Cost Auditors in connection with the aforesaid audit.

M/s Mahadevan & Co, Cost Accountants (Firm Registration No.000007), Chennai are also appointed as the Cost Auditors of the Company, to conduct the audit of the cost for Engineering Products for the financial year ending March 31, 2023 at a remuneration of Rs.3lakhs (Rupees Three Lakhs only) plus payment of applicable taxes and reimbursement of out-of-pocket expenses incurred by the Cost Auditors in connection with the aforesaid audit.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, Members of the Company are required to ratify the remuneration proposed to be paid to the Cost Auditors

None of the Directors or Key Managerial Personnel and their relatives, are concerned or interested (financially or otherwise) in this Resolution. The Board recommends the Ordinary Resolution set out at Item No. 6 for the approval of Members.

For and on behalf of the Board of Directors

Dr.V.L. Indira Dutt

Chairperson and Managing Director

Place: Chennai

Date : May 18, 2022

ANNEXURE - 1

Profile of the Directors proposed to be re-appointed at the Annual General Meeting

(As required under applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards -2 on General Meetings issued by ICSI)

Name of the Director	Sri. V. Chandra Kumar Prasad	Dr. Subbarao Vallabhaneni	Sri. Ravi Chitturi
DIN	008744154	008746927	00328364
Date of Birth and Age	13/01/1943	05/01/1947	17/11/1965
Qualifications	M.S. (Chemical Engineering).	MBBS from Andhra University, Certified General Surgery from St. Joseph Hospital & Medical Centre, NJ USA.	B.E. (Mechanical) from College of Engineering Guindy, Anna University and MS (Computer Science from Alabama A&M University, USA.
Experience and expertise in specific functional area	Worked with BUITONI Foods Inc. USA. Later called as NESTLE USA Inc. for 22 years.	Private Medical Practice for 31 years.	Worked with Madras Engg. Industries Limited, Sr. Tech. Analyst with Republic New York Corporation, NY and as MD of KCP Technologies Limited.
Shareholding in the Company as on date of Notice	1,000	1,16,130	-
Terms and conditions of appointment	As per the terms of Resolution proposed for the approval of the shareholders.	As per the terms of Resolution proposed for the approval of the shareholders.	As per the terms of Resolution proposed for the approval of the shareholders.

Details of remuneration last drawn (FY 2021-22)	Rs. 2,40,000	Rs. 2,00,000	Rs. 2,60,000
Details of proposed remuneration	Sitting fees for attending the meeting.	Sitting fees for attending the meeting.	Sitting fees for attending the meeting
Inter-se relationships between • Directors; • Manager; • Key Managerial Personnel	Brother of Dr. V.L. Indira Dutt, Chairperson and Managing Director of the Company.	Relative of Dr. V.L. Indira Dutt, Chairperson & Managing Director of the Company.	Husband of Smt. V. Kavitha Dutt, Joint Managing Director of the company
Number of Meetings of the Board attended during FY 2021 – 22 as on date of Notice	5	5	5
Chairperson / Membership of the Committee(s) of the Company.	Risk Management Committee- Member		1. Risk Management Committee – Member 2. Innovation and Best Practices Committee - Member
Directorship in other Companies	Fives-cail KCP Limited.	BGE GLOBAL INC, USA.	1. KCP Technologies Limited. 2. KCP Vientam Industries Ltd., 3. Bridgegap Engineering India Pvt Ltd
Chairperson/ Membership of the Statutory Committee(s) of Board of Directors of other companies in which He is a Director	-	-	-



Traffic Barricades donated to the Chennai City Traffic Police as a CSR gesture.



Environment, Health and Safety (EHS) CII 2021 Award for Excellence for KCP Muktyala Cement Plant.



Cement



Heavy Engineering

Turnkey Plants - Sugar & Energy



Power



Hospitality



Sugar

Innovation through Excellence



The KCP Limited

2, Dr. P.V. Cherian Crescent, Egmore, Chennai - 600 008, India
Phone: +91 44 66772600 E-Mail: corporate@kcp.co.in

www.kcp.co.in

CIN: L55991TN19MPLC001128

