

**THE KCP LIMITED**

Registered Office: 'RAMAKRISHNA BUILDINGS'  
No 2, Dr. P.V. Cherian Crescent, Chennai - 600 008  
CIN : L65991TN1941PLC001128

**CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2018**

(Rupees in lakhs)

Sl No	PARTICULARS	3 MONTHS ENDED		YEAR ENDED		CONSOLIDATED YEAR ENDED		
		31.03.2018	31.12.2017	31.03.2017	31.03.2018	31.03.2017	31.03.2018	31.03.2017
		Audited	Unaudited	Audited	Audited	Audited	Audited	Audited
1	REVENUE FROM OPERATIONS	27,396	26,290	26,730	1,05,999	94,899	1,51,995	1,36,171
2	OTHER INCOME	152	421	215	4,711	577	957	947
3	TOTAL INCOME	27,548	26,710	26,945	1,10,709	95,477	1,52,952	1,37,118
4	EXPENSES							
	(a) COST OF RAW MATERIAL CONSUMED	4,556	4,484	3,772	16,913	17,240	56,741	50,994
	(b) PURCHASES OF STOCK IN TRADE							
	(c) CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE	(442)	(827)	1,278	118	686	(8,853)	(4,979)
	(d) EMPLOYEES BENEFIT EXPENSE	2,143	2,142	2,415	9,345	7,848	11,442	9,721
	(e) POWER & FUEL	7,631	7,695	5,870	26,923	18,468	26,985	18,575
	(f) FREIGHT AND FORWARDING EXPENSE	5,846	5,291	2,892	19,014	10,507	20,575	11,572
	(g) FINANCE COST	738	836	1,116	3,529	4,725	4,234	4,993
	(g) DEPRECIATION AND AMORTISATION EXPENSE	1,439	1,094	1,401	4,903	4,861	7,051	6,258
	(h) EXCISE DUTY	1	(0)	3,722	3,659	13,099	3,659	13,099
	(i) OTHER EXPENDITURE	3,858	4,025	3,059	14,198	12,758	15,974	15,246
	TOTAL EXPENSES	25,770	24,739	25,524	98,601	90,191	1,37,808	1,25,480
5	PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX (3-4)	1,778	1,971	1,421	12,108	5,285	15,144	11,638
6	EXCEPTIONAL ITEMS	871	-	-	871	-	871	-
7	PROFIT/(LOSS) BEFORE TAX (5-6)	907	1,971	1,421	11,237	5,285	14,273	11,638
8	TAX EXPENSE							
	(a) CURRENT TAX	277	339	294	3,149	1,026	3,150	1,098
	(b) DEFERRED TAX	(40)	192	185	(39)	850	(39)	850
9	PROFIT/(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS (7-8)	669	1,440	942	8,127	3,410	11,161	9,690
10	PROFIT/(LOSS) FROM DISCONTINUED OPERATIONS	-	-	(36)	-	(36)	-	(36)
11	TAX EXPENSE OF DISCONTINUED OPERATIONS	-	-	(8)	-	(8)	-	(8)
12	PROFIT/(LOSS) FROM DISCONTINUED OPERATIONS (10-11)	-	-	(28)	-	(28)	-	(28)
13	PROFIT/(LOSS) FOR THE PERIOD (9+12)	669	1,440	914	8,127	3,381	11,161	9,662
14	SHARE OF PROFIT FROM JOINT VENTURE						105	100
15	LESS : NON CONTROLLING INTEREST						2,315	2,107
16	PROFIT/(LOSS) AFTER NON-CONTROLLING INTEREST (13+14-15)						8,952	7,655
17	OTHER COMPREHENSIVE INCOME							
	(i) ITEMS THAT WILL NOT BE RECLASSIFIED TO P&L	78	78	(33)	(27)	(266)	(363)	(1,178)
	(ii) SHARE OF OCI FROM JOINT VENTURE						(30)	5
	(iii) LESS : NON CONTROLLING SHARE OF OCI						(102)	(304)
	OCI AFTER NON CONTROLLING INTEREST	78	78	(33)	(27)	(266)	(304)	(869)
18	TOTAL COMPREHENSIVE INCOME (13+14+17(i)+17(ii))	748	1,518	881	8,100	3,116	10,873	8,588
19	LESS : MINORITY SHARE OF TOTAL COMPREHENSIVE INCOME (15+17(iii))						2,213	1,803
20	TOTAL COMPREHENSIVE INCOME AFTER NON-CONTROLLING INTEREST (18-19)						8,660	6,786
17	EARNINGS PER SHARE (EPS) (FOR CONTINUING OPERATIONS) (Basic and Diluted EPS) - Rs.	0.52	1.12	0.73	6.30	2.64	6.94	5.96
18	EARNINGS PER SHARE (EPS) (FOR DISCONTINUED OPERATIONS) (Basic and Diluted EPS) - Rs.	0.00	0.00	-0.02	0.00	-0.02	0.00	-0.02
19	EARNINGS PER SHARE (EPS) (FOR DISCONTINUED & CONTINUING OPERATIONS) (Basic and Diluted EPS) - Rs.	0.52	1.12	0.71	6.30	2.62	6.94	5.94

Notes :

- (a) The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 28th May 2018.
- (b) The figures of Fourth Quarter for Standalone Operations are the balancing figures between audited figures in respect of full financial year upto 31st March,2018 and unaudited year-to-date figures upto the third quarter ended 31st December, 2017.
- (c) The Statutory Auditors have audited the above results and issued audit report with unmodified opinion.
- (d) Electricity Duty on captive power generation levied by the State amounting to Rs.871 lacs was contested by the Company in Hon'ble Supreme Court. Hon'ble Supreme Court through interim order directed the Company to pay part amount of Rs. 523 lacs. Pursuant to this, the Company has provided Rs. 871 lacs and reported the same as an Exceptional Item, pending the final decision of the Hon'ble Supreme Court.
- (e) The Supreme court, vide its order dated 13-10-2017, has ruled that the contribution to District Mineral Fund(DMF) for limestone under the Mines(Development and Regulation) Amendment Act,2015 shall be applicable from 17-9-2015 instead of 12-1-2015. Accordingly, the Company has reversed the provision amounting to Rs. 2.93 Crores in the financial results during the quarter ended 31.12.2017.
- (f) Consequent to the introduction of GST with effect from 1-7-2017, the excise duty is subsumed under GST. In accordance with Ind AS 18, Revenue from Operations for the quarter ended 31-12-2017 and year/quarter ended 31.03.2018 are presented net of GST whereas the Excise duty for the quarter/year ended 31-03-2017 were included in the Revenue from Operations, and thus it is not comparable.
- (g) The Financial Results of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Amendment Rules, 2016. The Company adopted Ind AS from 1st April 2017 and accordingly the financial results (including for all the period presented in accordance with Ind AS 101 - First time adoption of Indian Accounting Standards) have been prepared in accordance with Ind AS prescribed under section 133 of the Companies Act 2013 read with the relevant rules issued thereunder and other accounting principles generally accepted in India.
- (h) The format of the above results as prescribed in SEBI's Circular CIR/CFD/CMD/15-2015, dated 30th November 2015, has been modified to comply with requirements of SEBI's circular dated 5th July, 2016, and Ind AS and Schedule III (Division III) to the Companies Act,2013 applicable to the Companies that are required to comply with Ind AS.
- (i) Expenses are recognised in statement of profit and loss using a classification based on the nature of expense method as per para-99 of IND AS-1, Presentation of financial statements.
- (j) The results for the year ended 31st March 2017 have been restated to comply with IND AS and to make them comparable.
- (k) Figures for the previous period have been regrouped/reclassified wherever necessary to conform to the current periods presentation to comply with IND AS.
- (l) Consequent to transition to IND AS, in accordance with para 32 of IND AS 101 - First time adoption of IND AS, reconciliation between Financial Results previously reported under Indian GAAP and Ind AS is given hereunder:

	(Rs. Lakhs)					
	STANDALONE			CONSOLIDATED		
	Quarter Ended 31-03-2017		Year Ended 31-03-2017		Year Ended 31-03-2017	
<b>Profit after tax reported as per Indian GAAP</b>	887.07		2,960.15		7,276.63	
(i) Re-measurement of defined benefit obligations recognised in other comprehensive income under IND AS	77.13		310.45		310.45	
(ii) Impact of fair value of provisions	(32.60)		(94.90)		(94.90)	
(iii) Capitalisation of stripping costs incurred to remove overburden	42.24		127.34		127.34	
(iv) Effect of depreciation / amortisation	(88.36)		194.87		194.87	
(v) Grant of Government Incentives	0.49		0.82		0.82	
(vi) Credit Loss Allowance	(3.83)		(3.83)		(3.83)	
(vii) Deferred tax on above adjustments	74.74		(70.71)		(70.71)	
(viii) Dividend from Joint Venture eliminated due to accounting under Equity Method					(40.00)	
(ix) Share of Change in Profit of Joint Venture due to Ind-AS					(2.85)	
(x) Reclassification in accordance with the nature of expenses						
Cost of material consumed	(1328.79)	(4513.08)		(4513.08)		
Employee benefits	112.42	364.53		364.53		
Other expenses	126.62	574.77		574.77		
Power and fuel	1089.75	3573.78	0.00	3573.78	0.00	
<b>Net profit under IND AS</b>	956.87		3424.18		7697.81	
(xi) Actuarial (gain)/loss on defined benefit funds	(77.13)		(310.45)		(310.45)	
(xii) Effect of measuring investment at fair value through other comprehensive income	1.54		1.83		1.83	
(xiii) Foreign Currency Translation Reserve					(912.43)	
(xiv) Non-Controlling Share of OCI					304.14	
(xv) Share of OCI from Joint Venture					4.89	
<b>Total Comprehensive Income as per IND AS</b>	881.28		3115.56		6785.79	

Equity Reconciliation

(Rs. Lakhs)

Particulars	STANDALONE		CONSOLIDATED	
	As at 31.03.2017	As at 31.03.2016	As at 31.03.2017	As at 31.03.2016
Equity under previous GAAP	41703.77	38743.62	68184.05	61515.71
Effect of measuring Investments at fair value	1.27	-0.56	1.27	-0.56
Effect of Property, Plant and Equipment adjustments	-1158.14	-1285.48	-1158.14	-1285.48
Effect of Depreciation and Amortisation	194.85		194.85	
Expected Credit Loss recognised on Trade Receivables	-9.22	-5.39	-9.22	-5.39
Effect of recognising Government Grants/Subsidy	0.82		0.82	
Effect of discounting Trade Receivables	-65.44	-19.1	-65.44	-19.1
Effect of discounting Provisions	35.18	83.74	35.18	83.74
Effect of tax adjustments on above	353.68	424.38	353.68	424.38
Effect of Joint Venture Adjustments			2.80	48.89
<b>Equity under Ind-AS</b>	<b>41056.77</b>	<b>37941.21</b>	<b>67539.85</b>	<b>60762.19</b>

Notes Relating to Reconciliation :

- (i) The company recognises costs relating to its post employment defined benefit plan on actuarial basis both under IGAAP and IND AS. Under IGAAP, the entire cost, including actuarial gains and losses are recognised in Profit and loss. Under IND AS, remeasurement gains and losses are recognised in retained earnings through Other comprehensive income.
- (ii) Under IND AS-109-Financial Instruments, financial liabilities are discounted if the time value is material and the effect of difference in value is given in the profit and loss account.
- (iii) Under IND AS 16, the cost of an item of property, plant and equipment includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, Hence, the estimated cost of rehabilitation of mines were identified and discounted to the date of the acquisition of mine and capitalised. Depreciation on the same is provided in proportion to the units extracted to the total reserves. Correspondingly, provision created to reflect the current estimate i.e., by discounting till the date of financial statements and difference in discount amount is charged to profit and loss account.
- (iv) Under Ind AS-16, as per Appendix B, "Stripping Cost" in respect of new mines were capitalised and amortised using the units of production method.
- (v) Under IGAAP, spares were recognised as part of inventory and charged to Profit and loss as and when consumed. Under IND AS, items of spares which meet the definition of Property, Plant and Equipment (PPE), are capitalised and depreciation is charged on those spares from the date they are available to use (i.e., the date of purchase) and the WDV of the same is capitalised in IND AS on transition date and depreciated further, resulting in the decrease of depreciation charged to profit and loss.
- (vi) Under Indian GAAP deferred taxes are recognised using Income statement approach i.e., reflecting the tax effects of timing differences between accounting income and taxable income for the period. Under IND AS, deferred taxes are recognised using balance sheet approach i.e., reflecting the tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes using the Income tax rates enacted or substantively enacted at reporting date. Also, deferred taxes are recognised on account of the above mentioned changes.
- (vii) Cost of limestone and coal consumed have been reclassified to primary heads of expenses in statement of profit and loss using a classification based on the nature of expense method as per para-99 of IND AS-1, Presentation of financial statements.
- (viii) Under IGAAP, long-term investments are usually carried at cost. However, when there is a decline, other than temporary, in the value of a long term investment, the carrying amount is reduced to recognise the decline. Under IND AS, Long term Equity investments are re-measured at fair value through other comprehensive income. As per para no. 44 of IND AS 12, Income Taxes, It is expected there will not be adequate taxable profits for utilizing the temporary differences arising due to fair valuation of investments classified through other comprehensive income and hence no deferred tax asset is being created on such investments.
- (ix) The figures for quarter/year ended 31st March 2017 have been restated to comply with IND AS to make them comparable with the current period. Further, they have been regrouped/reclassified, wherever necessary, to conform with the current period presentation.

The Board has recommended for the approval of the shareholders at the ensuing Annual General Meeting, a Dividend of Re.1/- per share on equity share of Re.1/- each.

Figures have been regrouped wherever necessary.

(BY ORDER OF THE BOARD)



V.L. INDIRA DUTT  
MANAGING DIRECTOR

Place : Chennai - 600 008  
Date : 28th May, 2018

THE KCP LIMITED

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

(Rs in Lakhs)

Sl No	PARTICULARS	3 MONTHS ENDED			YEAR ENDED		CONSOLIDATED YEAR ENDED	
		31.03.2018	31.12.2017	31.03.2017	31.03.2018	31.03.2017	31.03.2018	31.03.2017
<b>1</b>	<b>Segment Revenue (Net Sale / Income from each segment )</b>							
a	Engineering	1,959	2,486	3,031	8,622	8,136	8,622	8,136
b	Cement	24,917	23,473	23,137	95,506	84,828	95,506	84,828
c	Power	2,272	2,504	2,187	8,593	7,199	11,819	7,199
d	Hotel	430	431	383	1,537	1,135	1,537	1,135
e	Sugar						45,489	41,682
f	Others / Unallocated	19	131	54	4,280	546	4,280	546
	<b>Total</b>	<b>29,596</b>	<b>29,026</b>	<b>28,791</b>	<b>1,18,539</b>	<b>1,01,844</b>	<b>1,67,254</b>	<b>1,43,526</b>
	Less: Inter segmental Revenue	2,049	2,315	1,846	7,829	6,367	14,301	6,407
	<b>Net Sales / Income from Operations</b>	<b>27,548</b>	<b>26,710</b>	<b>26,945</b>	<b>1,10,709</b>	<b>95,477</b>	<b>1,52,952</b>	<b>1,37,118</b>
<b>2</b>	<b>Segment Results</b>							
	(Profit (+) / Loss (-) before tax and Interest from each segment							
a	Engineering	399	(277)	(190)	(792)	(1,559)	(792)	(1,559)
b	Cement	1,772	3,084	2,732	12,416	11,883	12,416	11,883
c	Power	(424)	594	230	457	845	386	845
d	Hotel	(147)	(176)	(253)	(806)	(1,116)	(806)	(1,116)
e	Sugar						7,721	6,661
e	Others	1	7	(13)	7	(130)	7	(130)
f	Other unallocable expenditure(-) net of unallocable Income (+)	43	(425)	(6)	3,484	53	(425)	13
	<b>Total</b>	<b>1,644</b>	<b>2,807</b>	<b>2,501</b>	<b>14,766</b>	<b>9,975</b>	<b>18,507</b>	<b>16,595</b>
	Less: Interest	738	836	1,116	3,529	4,725	4,234	4,993
	<b>Total Profit Before Tax</b>	<b>907</b>	<b>1,971</b>	<b>1,385</b>	<b>11,237</b>	<b>5,249</b>	<b>14,273</b>	<b>11,602</b>
<b>3</b>	<b>Segment Assets</b>							
a	Engineering	10,450	10,074	11,975	10,450	11,975	10,450	11,975
b	Cement (*)	78,371	71,481	57,922	78,371	57,922	78,371	57,922
c	Power	14,642	15,996	15,572	14,642	15,572	22,796	20,428
d	Hotel	10,320	10,609	11,095	10,320	11,095	10,320	11,095
e	Sugar						51,722	55,388
f	Unallocated	8,518	7,543	9,273	8,518	9,273	7,082	7,810
	<b>Total</b>	<b>1,22,300</b>	<b>1,15,703</b>	<b>1,05,837</b>	<b>1,22,300</b>	<b>1,05,837</b>	<b>1,80,741</b>	<b>1,64,617</b>
<b>4</b>	<b>Segment Liabilities</b>							
a	Engineering	5,358	4,893	5,858	5,358	5,858	5,358	5,858
b	Cement	42,834	36,972	30,389	42,834	30,389	42,834	30,389
c	Power	5,123	5,373	5,878	5,123	5,878	5,184	5,878
d	Hotel	3,743	4,040	4,666	3,743	4,666	3,743	4,666
e	Sugar						31,344	32,298
f	Unallocated	18,665	18,441	17,990	18,665	17,990	18,665	17,990
	<b>Total</b>	<b>75,722</b>	<b>69,720</b>	<b>64,780</b>	<b>75,722</b>	<b>64,780</b>	<b>1,07,127</b>	<b>97,078</b>

\* NOTE :- Includes Rs. 27004 Lakhs being the Capital Work-in-Progress in respect of Mukiyala (Krishna Dist., A.P.) Cement Plant Expansion Project.

## STATEMENT OF ASSETS AND LIABILITIES

(Rs. Lakhs)

	Particulars	STANDALONE		CONSOLIDATED	
		AS AT 31.03.2018	AS AT 31.03.2017	AS AT 31.03.2018	AS AT 31.03.2017
	<b>ASSETS</b>				
	<b>Non-current assets</b>				
(a)	Property, Plant and Equipment	65,221	67,706	90,609	86,969
(b)	Capital Work-in-progress	25,265	4,341	25,574	10,933
(c)	Investment Property	1	2	1	2
(d)	Other Intangible Assets	224	174	224	174
(e)	Financial Assets				
	(i) Investments	2,893	2,893	1,457	1,430
	(ii) Trade Receivables	258	373	258	373
	(iii) Loans				
	(iv) Others (to be specified)	21	24	21	24
(f)	Deferred Tax Assets (Net)				
(g)	Other Non-current Assets	3,789	5,615	3,789	5,615
	<b>Current assets</b>				
(a)	Inventories	12,708	11,725	35,950	27,481
(b)	Financial Assets				
	(i) Investments				
	(ii) Trade Receivables	2,575	3,205	7,314	8,369
	(iii) Cash and cash equivalents	1,350	1,387	1,777	7,359
	(iv) Bank balances other than (iii) above	1,385	856	1,385	856
	(v) Loans				
	(vi) Others (to be specified)	98	161	101	166
(c)	Current Tax Assets (Net)	715	1,078	715	1,078
(d)	Other Current assets	5,798	6,296	11,564	13,789
	<b>Total Assets</b>	<b>1,22,300</b>	<b>1,05,837</b>	<b>1,80,741</b>	<b>1,64,617</b>
	<b>EQUITY AND LIABILITIES</b>				
	<b>Equity</b>				
(a)	Equity Share Capital	1,289	1,289	1,289	1,289
(b)	Other Equity	45,289	39,768	72,324	66,251
	Non Controlling Interest	-	-	14,236	13,973
	Deferred Government Grants	34	36	34	36
	<b>LIABILITIES</b>				
	<b>Non-current liabilities</b>				
(a)	Financial Liabilities				
	(i) Borrowings	33,588	22,210	37,230	27,285
	(ii) Trade Payables	271	271	271	271
	(iii) Other financial liabilities (Other than those specified in item (b), to be specified)	3,954	3,585	6,879	6,727
(b)	Provisions	1,226	1,153	1,226	1,153
(c)	Deferred Tax Liabilities (Net)	5,762	4,967	5,762	4,967
(d)	Other non-current liabilities				
	<b>Current liabilities</b>				
(a)	Financial Liabilities				
	(i) Borrowings	5,929	8,392	8,587	12,303
	(ii) Trade payables	5,202	3,807	10,277	8,150
	(iii) Other financial liabilities (other than those specified in item (c))	18,684	18,398	21,347	20,250
(b)	Other current liabilities	698	1,898	904	1,900
(c)	Provisions	373	62	373	62
(d)	Current tax Liabilities (Net)	-	-	-	-
	<b>Total Equity and Liabilities</b>	<b>1,22,300</b>	<b>1,05,837</b>	<b>1,80,741</b>	<b>1,64,617</b>