

THE KCP LIMITED

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

STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER/HALF-YEAR ENDED 30TH SEPTEMBER 2017

[Rupees in lakhs]

Sl No	PARTICULARS	3 MONTHS ENDED			6 MONTHS ENDED		YEAR ENDED
		30.09.2017	30.06.2017	30.09.2016	30.09.2017	30.09.2016	31.03.2017
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited*	Audited*
1	REVENUE FROM OPERATIONS	25,028	27,336	23,459	52,364	44,618	94,899
2	OTHER INCOME	3,864	224	117	4,088	294	577
3	TOTAL INCOME FROM OPERATIONS	28,892	27,560	23,576	56,451	44,912	95,477
4	EXPENSES						
	(a) COST OF RAW MATERIAL CONSUMED	3,591	4,282	4,072	7,873	9,401	17,825
	(b) PURCHASES OF STOCK IN TRADE						
	(c) CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE	2,037	(651)	1,107	1,387	(455)	100
	(d) EMPLOYEES BENEFIT EXPENSE	2,945	2,115	1,925	5,060	3,671	7,848
	(e) POWER & FUEL	5,456	6,140	3,704	11,596	8,029	18,468
	(f) FREIGHT AND FORWARDING EXPENSE	4,716	3,162	2,634	7,878	4,998	10,507
	(g) FINANCE COST	913	1,042	1,222	1,956	2,416	4,679
	(g) DEPRECIATION AND AMORTISATION EXPENSE	1,168	1,202	1,194	2,370	2,287	4,787
	(h) EXCISE DUTY / GST	0	3,658	3,028	3,658	6,030	13,099
	(i) OTHER EXPENDITURE	2,872	3,443	3,380	6,315	6,592	12,752
	TOTAL EXPENSES	23,698	24,394	22,266	48,092	42,969	90,066
5	PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX (3-4)	5,193	3,166	1,310	8,359	1,943	5,411
6	EXCEPTIONAL ITEMS						
7	PROFIT/(LOSS) BEFORE TAX (5-6)	5,193	3,166	1,310	8,359	1,943	5,411
8	TAX EXPENSE						
	(a) CURRENT TAX	1,684	849	-	2,533	-	377
	(b) DEFERRED TAX	(192)	0.41	365	(192)	541	1,494
9	PROFIT/(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS (7-8)	3,701	2,317	945	6,017	1,402	3,540
10	PROFIT/(LOSS) FROM DISCONTINUED OPERATIONS						(36)
11	TAX EXPENSE OF DISCONTINUED OPERATIONS						(8)
12	PROFIT/(LOSS) FROM DISCONTINUED OPERATIONS (10-11)	-	-	-	-	-	(28)
13	PROFIT/(LOSS) FOR THE PERIOD (9+12)	3,701	2,317	945	6,017	1,402	3,512
14	OTHER COMPREHENSIVE INCOME	(102)	(80)	(77)	(183)	(155)	(309)
15	TOTAL COMPREHENSIVE INCOME (13+14)	3,599	2,237	868	5,835	1,248	3,203
16	EARNINGS PER SHARE (EPS) (FOR CONTINUING OPERATIONS) (Basic and Diluted EPS) - Rs.	2.87	1.80	0.73	4.67	1.09	2.75
17	EARNINGS PER SHARE (EPS) (FOR DISCONTINUED OPERATIONS) (Basic and Diluted EPS) - Rs.	-	-	-	-	-	-0.02
18	EARNINGS PER SHARE (EPS) (FOR DISCONTINUED & CONTINUING OPERATIONS) (Basic and Diluted EPS) - Rs.	2.87	1.80	0.73	4.67	1.09	2.72



Notes :

- (a) The above results for the quarter/half-year ended 30th September 2017, were reviewed by Audit Committee and approved by the Board of Directors in their meeting held on 30th November 2017 and Statutory Auditors have carried out limited review.
- (b) Employee Benefit Expense for the quarter ended 30.09.2017 includes an additional amount of Rs.440 lacs towards Leave Encashment Benefit arising out of change in Salary meaning for the purpose of calculating Leave Benefits Liability.
- (c) Other Income for the quarter ended 30.09.2017 includes an amount of Rs. 3869 lacs of Dividend received from the overseas subsidiary.
- (d) 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 INDAS 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 the recognition and measurement principle laid down in the IND AS- 34-interim Financial Reporting prescribed under section 133 of the Companies Act 2013 read with the relevant rules issued there under and other accounting principle generally accepted in India.
- (e) The format for unaudited quarterly 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, the company has opted to present IND AS compliant financial figures for the corresponding period ended September 30th, 2016 and year ended 31st, March 2017 without subjecting to limited review or audit. However, the management has exercised necessary due diligence to ensure that the financial results provide a true and fair view of the Company's affairs.
- (f) 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.
- (g) * The results for the year ended 31st March 2017 and half-year ended 30th September 2016 have been restated to comply with IND AS to make them comparable.
- (h) Figures for the previous period have been regrouped/reclassified wherever necessary to conform to the current periods presentation to comply with IND AS.



- (i) Consequent to transition to IND AS, in accordance with para 32 of IND AS 101 - First time adoption of IND AS, reconciliation between net profit under 'Previous Indian GAAP' and Total comprehensive Income as per IND AS for the quarter/half-year ended 30th September 2016 is as follows:

	(Rs. Lakhs)	
	Quarter Ended 30-09-2016	Half-Year Ended 30-09-2016
Profit after tax as reported in previous quarter as per Indian GAAP	730.81	1,054.75
(i) Re-measurement of defined benefit obligations recognised in other comprehensive income under IND AS	77.78	155.55
(ii) Impact of fair value of provisions	(20.76)	(41.53)
(iii) Capitalisation of stripping costs incurred to remove overburden	19.79	19.79
(iv) Effect of depreciation	103.07	188.88
(v) Deferred tax on above adjustments	34.57	24.71
(vi) Reclassification in accordance with the nature of expenses		
Cost of material consumed	907.34	1957.63
Employee benefits	(85.07)	(176.13)
Other expenses	(141.95)	(301.18)
Power and fuel	(680.32)	(1480.32)
	0.00	0.00
Net profit under IND AS	945.26	1402.15
Actuarial (gain)/loss on defined benefit funds	(77.78)	(155.55)
(vii) Effect of measuring investment at fair value through other comprehensive Income	0.61	0.83
Total Comprehensive Income as per IND AS	868.09	1247.43

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 dismantling 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 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.
- (v) 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.
- (vi) 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.
- (vii) 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.
- (viii) The figures for quarter ended 30th September 2016 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.

- (i) Figures have been regrouped wherever necessary.

Place : Chennai - 600 008
Date : 30th November, 2017



THE KCP LIMITED

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

(Rs in Lakhs)

Sl No	PARTICULARS	3MONTHS ENDED			FOR THE HALF YEAR ENDED		YEAR ENDED
		30.09.2017	30.06.2017	30.09.2016	30.09.2017	30.09.2016	31.03.2017
1	Segment Revenue (Net Sale / Income from each segment)						
a	Engineering	2,539	1,638	2,355	4,177	3,732	8,136
b	Cement	21,909	25,207	20,636	47,116	39,996	84,828
c	Power	1,883	1,934	1,488	3,817	3,328	7,199
d	Hotel	344	331	242	676	374	1,135
e	Others / Unallocated	3,927	204	150	4,131	442	546
	Total	30,603	29,314	24,871	59,917	47,872	1,01,844
	Less: Inter segmental Revenue	1,711	1,754	1,295	3,465	2,960	6,367
	Net Sales / Income from Operations	28,892	27,560	23,576	56,451	44,912	95,477
2	Segment Results						
	(Profit (+) / Loss (-) before tax and Interest from each segment						
a	Engineering	(452)	(461)	(273)	(914)	(873)	(1,396)
b	Cement	2,685	4,874	2,919	7,560	5,386	14,118
c	Power	69	218	193	287	535	982
d	Hotel	(230)	(253)	(331)	(483)	(660)	(1,115)
e	Others	(1)	(0)	(50)	(1)	(106)	(130)
f	Other unallocable expenditure(-) net of unallocable Income (+)	4,035	(170)	74	3,865	77	(2,366)
	Total	6,106	4,208	2,532	10,314	4,359	10,093
	Less: Interest	913	1,042	1,222	1,956	2,416	4,682
	Total Profit Before Tax	5,193	3,166	1,310	8,359	1,943	5,411
3	Segment Assets						
a	Engineering	11,799	11,630	11,772	11,799	11,772	12,048
b	Cement (*)	63,434	59,077	49,941	63,434	49,941	58,204
c	Power	14,968	15,286	15,499	14,968	15,499	15,560
d	Hotel	10,713	10,932	11,725	10,713	11,725	11,094
e	Unallocated	7,744	8,140	8,908	7,744	8,908	9,039
	Total	1,08,658	1,05,065	97,845	1,08,658	97,845	1,05,947
4	Segment Liabilities						
a	Engineering	4,849	5,972	5,363	4,849	5,363	5,858
b	Cement	30,908	27,990	25,135	30,908	25,135	30,389
c	Power	5,225	5,462	6,443	5,225	6,443	6,078
d	Hotel	4,164	4,502	5,454	4,164	5,454	4,666
e	Unallocated	19,100	12,588	16,272	19,100	16,272	12,822
	Total	64,245	56,514	58,666	64,245	58,666	59,812

* NOTE - Includes Rs- 13376 Lakhs being the Capital Work-in-Progress in respect of Muktyala (Krishna Dist., A.P.) Cement Plant Expansion Project.



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STATEMENT OF ASSETS AND LIABILITIES

(Rs. Lakhs)

	Particulars	AS AT 30.09.2017	AS AT 30.09.2016
	ASSETS		
	Non-current assets		
(a)	Property, Plant and Equipment	66,678	70,301
(b)	Capital Work-in-progress	8,831	851
(c)	Investment Property	2	2
(d)	Other Intangible Assets	99	169
(e)	Financial Assets		
	(i) Investments	2,891	2,892
	(ii) Trade Receivables	353	281
	(iii) Loans		
	(iv) Others (to be specified)	25	38
(f)	Deferred Tax Assets (Net)		
(g)	Other Non-current Assets	1,808	2,237
	Current assets		
(a)	Inventories	9,674	10,102
(b)	Financial Assets		
	(i) Investments		
	(ii) Trade Receivables	2,576	2,693
	(iii) Cash and cash equivalents	1,212	213
	(iv) Bank balances other than (iii) above	2,093	1,747
	(v) Loans		
	(vi) Others (to be specified)	119	178
(c)	Current Tax Assets (Net)	-	749
(d)	Other Current assets	12,297	5,395
	Total Assets	1,08,658	97,845
	EQUITY AND LIABILITIES		
	Equity		
(a)	Equity Share Capital	1,289	1,289
(b)	Other Equity	43,124	37,890
	Deferred Government Grants	35	-
	LIABILITIES		
	Non-current liabilities		
(a)	Financial Liabilities		
	(i) Borrowings	25,052	22,335
	(ii) Trade Payables	271	271
	(iii) Other financial liabilities (Other than those specified in item (b), to be specified)	3,810	3,436
(b)	Provisions	1,198	602
(c)	Deferred Tax Liabilities (Net)	5,547	4,305
(d)	Other non-current liabilities		
	Current liabilities		
(a)	Financial Liabilities		
	(i) Borrowings	5,911	7,296
	(ii) Trade payables	6,294	5,157
	(iii) Other financial liabilities (other than those specified in item (c))	13,379	12,974
(b)	Other current liabilities	1,943	2,100
(c)	Provisions	604	190
(d)	Current tax Liabilities (Net)	200	
	Total Equity and Liabilities	1,08,658	97,845

