



Ref: KCP: CS : SE : RB : 19-20 : 18062020

June 18, 2020

National Stock Exchange of India Limited(NSE)  
**Scrip : KCP**  
BandraKurla Complex,  
Bandra (E)  
Mumbai-400 051

Bombay Stock Exchange Ltd (BSE)  
**Scrip - 590066**  
Floor No.25, P J Towers  
Dalal Street,  
Mumbai 400 001

Dear Sir /Madam,

**Sub: Submission of Audited Standalone and Consolidated Financial Results of the Company for the quarter and year ended 31/03/2020.**

**Ref: Regulation 33 of the SEBI (LODR) Regulations, 2015.**

With reference to the above, please find enclosed herewith coy of the Audited Standalone and Consolidated Financial Results of the Company for the quarter and year ended 31<sup>st</sup> March 2020, which have been approved and taken on record by the Board of Directors at its meeting held today i.e. on 18<sup>th</sup> June 2020, along with the Audit Report of M/s. K.S. Rao & Co., Chartered Accountants, Hyderabad, the Statutory Auditors of the Company on the same.

The Audit Reports are submitted with unmodified opinion(s) (free from any qualifications) and a declaration to that effect is enclosed.

In accordance with SEBI Circular dated 12<sup>th</sup> May 2020 read with circular dated 26<sup>th</sup> March, 2020 granting relaxation from the provisions of Regulation 47 of the SEBI Listing Regulations, the above financial results will not be advertised in the newspapers. However, the same will be available on Company's Website at [www.kcp.co.in](http://www.kcp.co.in).

The meeting of the Board of Directors commenced at 12.30 p.m and concluded at 4.05 P.M.

The Board of Directors of the company have recommended for the approval of shareholders a dividend of 0.15 paise (15%) on equity share of Re.1/- each.

This is for your information and records.

Thanking You,

Yours faithfully,

**For THE KCP LIMITED**

**Y. VIJAYAKUMAR**  
**COMPANY SECRETARY &**  
**COMPLIANCE OFFICER.**

**THE KCP LIMITED**

Registered Office: Ramakrishna Buildings, 2, Dr. P. V. Cherian Crescent, Egmore, Chennai 600 008. INDIA

Phone: + 91 44-6677 2600 Fax: + 91-44-6677 2620 E-mail: corporate@kcp.co.in

[www.kcp.co.in](http://www.kcp.co.in)



**THE KCP LIMITED**

Registered office: 'Ramakrishna Buildings', No.2, Dr Cherian Crescent, Egmore, Chennai-600 008  
CIN:L65991TN1941PLC001128

**STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER / YEAR ENDED 31ST MARCH 2020**

(Rs in lakhs except per share data)

Sl No	PARTICULARS	3 MONTHS ENDED			YEAR ENDED	
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
		Audited	Unaudited	Audited	Audited	Audited
1	REVENUE FROM OPERATIONS	25,479.59	22,838.28	30,732.91	93,797.18	1,14,191.05
2	OTHER INCOME	13.81	96.95	433.00	3,254.83	2,168.63
3	<b>TOTAL INCOME</b>	<b>25,493.40</b>	<b>22,935.23</b>	<b>31,165.91</b>	<b>97,052.00</b>	<b>1,16,359.68</b>
4	EXPENSES					
	(a) COST OF RAW MATERIAL CONSUMED	5,074.94	5,262.60	8,668.33	20,757.54	26,102.12
	(b) PURCHASE OF STOCK IN TRADE	-	-	-	-	-
	(c) CHANGE IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE	220.29	(294.80)	(596.07)	(1,879.20)	(2,149.89)
	(d) EMPLOYEE BENEFITS EXPENSE	1,947.65	1,922.07	2,122.99	8,041.37	8,564.99
	(e) POWER & FUEL	6,341.27	6,127.88	7,093.50	24,190.51	30,299.56
	(f) FREIGHT AND FORWARDING EXPENSE	5,763.59	5,429.77	5,782.80	21,787.50	24,839.63
	(g) FINANCE COST	1,246.58	1,522.71	988.52	5,641.40	3,419.10
	(h) DEPRECIATION AND AMORTISATION EXPENSE	1,784.59	1,733.13	1,484.34	7,140.86	5,193.33
	(i) OTHER EXPENDITURE	3,179.29	3,200.80	3,554.15	13,339.88	14,610.63
	<b>TOTAL EXPENSES</b>	<b>25,558.19</b>	<b>24,904.17</b>	<b>29,098.56</b>	<b>99,019.86</b>	<b>1,10,879.48</b>
5	PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX (3-4)	(64.79)	(1,968.94)	2,067.35	(1,967.85)	5,480.20
6	EXCEPTIONAL ITEMS*	571.74	-	-	571.74	-
7	PROFIT/(LOSS) BEFORE TAX (5-6)	(636.53)	(1,968.94)	2,067.35	(2,539.59)	5,480.20
8	TAX EXPENSE					
	(a) CURRENT TAX	(466.56)	-	(21.91)	21.26	217.63
	(b) DEFERRED TAX	(237.64)	(1,608.48)	899.61	(1,884.17)	1,311.22
9	PROFIT/(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS (7-8)	67.67	(360.46)	1,189.65	(676.68)	3,951.35
10	PROFIT/(LOSS) FROM DISCONTINUED OPERATIONS	-	-	-	-	-
11	TAX EXPENSE OF DISCONTINUED OPERATIONS	-	-	-	-	-
12	PROFIT/(LOSS) FROM DISCONTINUED OPERATIONS (10-11)	-	-	-	-	-
13	PROFIT/(LOSS) FOR THE PERIOD (9+12)	67.67	(360.46)	1,189.65	(676.68)	3,951.35
14	OTHER COMPREHENSIVE INCOME					
	(i) ITEMS THAT WILL NOT BE RECLASSIFIED TO P&L	(265.14)	(85.21)	(32.32)	(353.00)	(206.59)
15	<b>TOTAL COMPREHENSIVE INCOME (13+14)</b>	<b>(197.48)</b>	<b>(445.67)</b>	<b>1,157.33</b>	<b>(1,029.68)</b>	<b>3,744.76</b>
16	EARNINGS PER SHARE (EPS) (FOR CONTINUING OPERATIONS) (Basic and Diluted)	0.05	-0.28	0.92	-0.52	3.06
17	EARNINGS PER SHARE (EPS) (FOR DISCONTINUED OPERATIONS) (Basic and Diluted)	0.00	0.00	0.00	0.00	0.00
18	EARNINGS PER SHARE (EPS) (FOR DISCONTINUED & CONTINUING OPERATIONS) (Basic and Diluted)	0.05	-0.28	0.92	-0.52	3.06

**Explanatory Notes :**

- The financial results of the Company have been prepared in accordance with the Indian Accounting standards (IND AS) as prescribed under section 133 of The Companies Act 2013 read with the Companies (Indian Accounting Standard) Rules 2015 (as amended).
- The figures of Fourth Quarter are the balancing figures between audited figures in respect of full financial year upto 31st March, 2020 and unaudited year-to-date figures upto the third quarter ended 31st December, 2019.
- The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 18th June 2020.
- The Statutory Auditors have audited the above results and issued audit report with unmodified opinion.
- Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases" which replaced IND AS 17 "Leases". Under this new standard, Right-of-Use of assets is recognised for operating leases at NPV and lease liability is recognised at an amount corresponding to such amount. The company has adopted modified retrospective method for transition under which comparative information will not be restated and impact is adjusted in Retained earnings. The effect of adoption of this standard is not material on the net profit for the period under review.
- Other income for the period ended 31.03.2020 includes dividend receipts of Rs.27.92 crores (corresponding period in the Previous Year: Rs.13.71 crores) from the Subsidiary and Rs.0.80 crores (corresponding period in the Previous Year: 0.40 crores) from Joint Venture company.
- \*Consequent to the Hon'ble Supreme Court upholding the power of APERC to levy the wheeling charges, an amount of Rs. 571 lakhs was provided in the books of accounts for the enhanced wheeling charges payable by the company for the period from 2002-03 to 2013-14.
- No effect has been given to the cancellation of orders by one of the customers of Engineering Unit while the job was in progress, on which Rs.173 lakhs has been incurred, as the value to be paid by the customer for the value of work done is yet to be finalised as on the date of balance sheet.
- The Board has recommended for the approval of the shareholders at the ensuing Annual General Meeting, a Dividend of Rs.0.15 paise per share on equity share of Re.1/- each.
- Figures for the previous period have been regrouped/reclassified wherever necessary to conform to the current periods presentation.

(BY ORDER OF THE BOARD)  
for The KCP Limited

V.L. INDIRA DUTT  
(Chairperson & Managing Director)

Place : Chennai - 600 008  
Date : 18th June, 2020



**THE KCP LIMITED**

Registered office: 'Ramakrishna Buildings', No.2, Dr Cheriai Crescent, Egmore, Chennai-600 008  
CIN:L65991TN1941PLC001128

**STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER / YEAR ENDED 31ST MARCH 2020**

(Rs in lakhs except per share data)

Sl No	PARTICULARS	3 MONTHS ENDED			YEAR ENDED	
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
		Audited	Unaudited	Audited	Audited	Audited
1	REVENUE FROM OPERATIONS	35,168.70	34,597.25	41,018.85	1,42,358.65	1,66,130.14
2	OTHER INCOME	40.01	97.91	476.00	412.37	803.40
3	<b>TOTAL INCOME</b>	<b>35,208.71</b>	<b>34,695.16</b>	<b>41,494.85</b>	<b>1,42,771.01</b>	<b>1,66,933.55</b>
4	EXPENSES					
	(a) COST OF RAW MATERIAL CONSUMED	16,746.82	5,566.29	19,817.81	46,852.21	53,538.29
	(b) PURCHASE OF STOCK IN TRADE	-	-	-	-	-
	(c) CHANGE IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE	(7,135.54)	8,114.34	(5,394.27)	1,712.51	4,778.82
	(d) EMPLOYEE BENEFITS EXPENSE	2,504.05	2,668.50	2,625.45	10,290.46	10,732.41
	(e) POWER & FUEL	6,354.54	6,144.57	7,186.51	24,245.62	30,429.41
	(f) FREIGHT AND FORWARDING EXPENSE	6,008.07	5,702.52	6,148.57	23,550.11	27,034.52
	(g) FINANCE COST	1,312.32	1,591.00	1,075.28	5,939.80	3,908.92
	(h) DEPRECIATION AND AMORTISATION EXPENSE	2,387.15	2,363.52	1,559.01	9,609.07	7,561.73
	(i) OTHER EXPENDITURE	3,725.64	4,289.71	4,018.96	16,061.57	16,592.80
	<b>TOTAL EXPENSES</b>	<b>31,903.04</b>	<b>36,440.46</b>	<b>37,037.31</b>	<b>1,38,261.35</b>	<b>1,54,576.89</b>
5	PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX (3-4)	3,305.67	(1,745.30)	4,457.53	4,509.67	12,356.65
6	EXCEPTIONAL ITEMS*	571.74	-	-	571.74	-
7	PROFIT/(LOSS) BEFORE TAX (5-6)	2,733.93	(1,745.30)	4,457.53	3,937.93	12,356.65
8	TAX EXPENSE					
	(a) CURRENT TAX	(466.56)	-	(21.91)	21.26	217.63
	(b) DEFERRED TAX	(237.64)	(1,608.48)	899.61	(1,884.17)	1,311.22
9	PROFIT/(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS (7-8)	3,438.13	(136.82)	3,579.83	5,800.84	10,827.80
10	PROFIT/(LOSS) FROM DISCONTINUED OPERATIONS	-	-	-	-	-
11	TAX EXPENSE OF DISCONTINUED OPERATIONS	-	-	-	-	-
12	PROFIT/(LOSS) FROM DISCONTINUED OPERATIONS (10-11)	-	-	-	-	-
13	PROFIT/(LOSS) FOR THE PERIOD (9+12)	3,438.13	(136.82)	3,579.83	5,800.84	10,827.80
14	SHARE OF PROFIT FROM JOINT VENTURE	34.40	(92.58)	28.45	29.11	157.17
15	PROFIT/(LOSS) AFTER TAX AND SHARE OF JOINT VENTURE	3,472.53	(229.40)	3,608.28	5,829.94	10,984.98
	NON-CONTROLLING INTEREST OWNERS OF THE COMPANY	1,123.49	74.55	796.73	3,116.51	2,762.48
16	OTHER COMPREHENSIVE INCOME					
	(i) ITEMS THAT WILL NOT BE RECLASSIFIED TO P&L	1,164.95	412.33	(342.62)	2,321.78	927.97
	(ii) SHARE OF OCI FROM JOINT VENTURE	(4.49)	13.51	(28.94)	(0.02)	(28.94)
	(iii) LESS : NON CONTROLLING SHARE OF OCI	513.55	175.38	(107.67)	955.28	382.24
	OCI AFTER NON CONTROLLING INTEREST	645.91	250.46	(263.88)	1,366.48	516.79
17	TOTAL COMPREHENSIVE INCOME (15+16)	4,632.99	196.43	3,236.72	8,151.70	11,884.01
	NON-CONTROLLING INTEREST OWNERS OF THE COMPANY	1,637.04	249.93	689.06	4,071.79	3,144.72
		2,995.95	(53.50)	2,547.66	4,079.91	8,739.29
18	EARNINGS PER SHARE (EPS) (FOR CONTINUING OPERATIONS) (Basic and Diluted)	1.82	-0.24	2.18	2.10	6.38
19	EARNINGS PER SHARE (EPS) (FOR DISCONTINUED OPERATIONS) (Basic and Diluted)	0.00	0.00	0.00	0.00	0.00
20	EARNINGS PER SHARE (EPS) (FOR DISCONTINUED & CONTINUING OPERATIONS) (Basic and Diluted)	1.82	-0.24	2.18	2.10	6.38

**Explanatory Notes :**

- The financial results of the Company have been prepared in accordance with the Indian Accounting standards (IND AS) as prescribed under section 133 of The Companies Act 2013 read with the Companies (Indian Accounting Standard) Rules 2015 (as amended).
- The figures of Fourth Quarter are the balancing figures between audited figures in respect of full financial year upto 31st March, 2020 and unaudited year-to-date figures upto the third quarter ended 31st December, 2019.
- The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 18th June 2020.
- The Statutory Auditors have audited the above results and issued audit report with unmodified opinion.
- Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases" which replaced IND AS 17 "Leases". Under this new standard, Right-of-Use of assets is recognised for operating leases at NPV and lease liability is recognised at an amount corresponding to such amount. The company has adopted modified retrospective method for transition under which comparative information is not restated and impact is adjusted in Retained earnings. The effect of adoption of this standard is not material on the net profit for the period under review.
- The consolidated financial results includes the results of (i) KCP Vietnam Industries Limited (subsidiary company) in vietnam and (ii) Fives Caji KCP Limited (Joint Venture company). Subsidiary is engaged in manufacturing sugar which is seasonal in nature and season normally takes place in January-May period in vietnam. Hence financials from quarter to quarter may not be comparable.
- \*Consequent to the Hon'ble Supreme Court upholding the power of APERC to levy the wheeling charges, an amount of Rs. 571 lakhs was provided in the books of accounts for the enhanced wheeling charges payable by the company for the period from 2002-03 to 2013-14.
- No effect has been given to the cancellation of orders by one of the customers of Engineering Unit while the job was in progress, on which Rs.173 lakhs has been incurred, as the value to be paid by the customer for the value of work done is yet to be finalised as on the date of balance sheet.
- The Board has recommended for the approval of the shareholders at the ensuing Annual General Meeting, a Dividend of Rs.0.15 paise per share on equity share of Re.1/- each.
- Figures for the previous period have been regrouped/reclassified wherever necessary to confirm to the current periods presentation.

(BY ORDER OF THE BOARD)

for The KCP Limited

V.L. INDRA DUTT  
(Chairperson & Managing Director)

Place : Chennai - 600 008

Date : 18th June, 2020



THE KCP LIMITED

SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES - STANDALONE

(Rs in Lakhs)

Sl No	PARTICULARS	3 MONTHS ENDED			YEAR ENDED	
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
		Audited	Unaudited	Audited	Audited	Audited
<b>1</b>	<b>Segment Revenue (Net Sale / Income from each segment )</b>					
a	Engineering	1,647.02	2,614.73	3,610.22	7,287.58	9,998.22
b	Cement	23,333.60	19,640.76	25,980.01	84,411.37	1,01,736.30
c	Power	1,689.16	2,073.76	2,213.08	7,242.69	8,599.05
d	Hotel	412.14	515.98	453.83	1,801.85	1,614.11
e	Others / Unallocated	49.04	51.46	88.46	193.03	213.81
	<b>Total</b>	<b>27,130.96</b>	<b>24,896.69</b>	<b>32,345.60</b>	<b>1,00,936.52</b>	<b>1,22,161.49</b>
	Less: Inter segment Revenue	1,651.37	2,058.41	1,612.68	7,139.35	7,970.45
	<b>Net Sales / Income from Operations</b>	<b>25,479.59</b>	<b>22,838.28</b>	<b>30,732.92</b>	<b>93,797.18</b>	<b>1,14,191.04</b>
<b>2</b>	<b>Segment Results</b> (Profit (+) / Loss (-) before tax and Interest from each segment					
a	Engineering	(497.39)	(349.50)	961.30	(2,352.41)	27.15
b	Cement	1,691.00	(343.19)	2,183.14	2,644.88	6,947.41
c	Power	(388.07)	349.75	289.20	176.72	1,061.47
d	Hotel	(126.69)	(63.74)	(130.98)	(415.65)	(660.09)
e	Others	2.15	(3.98)	1.10	(5.38)	3.24
f	Other unallocable expenditure(-) net of unallocable Income (+)	(127.20)	(104.63)	(337.98)	2,805.66	1,285.44
	<b>Total</b>	<b>553.80</b>	<b>(515.28)</b>	<b>2,965.80</b>	<b>2,853.81</b>	<b>8,664.62</b>
	Less:					
	Interest expenses	1,246.58	1,522.71	988.52	5,641.40	3,419.10
	Interest income	(56.23)	(69.07)	(90.08)	(248.00)	(234.69)
	<b>Total Profit Before Tax</b>	<b>(636.55)</b>	<b>(1,968.92)</b>	<b>2,067.36</b>	<b>(2,539.59)</b>	<b>5,480.22</b>
<b>3</b>	<b>Segment Assets</b>					
a	Engineering	13,378.69	15,403.71	15,170.05		
b	Cement	86,947.93	84,242.84	89,826.25		
c	Power	12,478.34	12,923.89	13,721.63		
d	Hotel	8,770.01	9,058.46	9,487.12		
e	Unallocated	8,311.29	10,057.24	7,918.08		
	<b>Total</b>	<b>1,29,886.26</b>	<b>1,31,686.15</b>	<b>1,36,123.13</b>		
<b>4</b>	<b>Segment Liabilities</b>					
a	Engineering	9,868.77	11,348.91	9,025.55		
b	Cement	50,236.20	50,855.09	52,304.64		
c	Power	4,171.41	3,791.18	4,222.34		
d	Hotel	2,065.85	2,331.66	2,939.92		
e	Unallocated	16,843.71	16,461.50	18,597.03		
	<b>Total</b>	<b>83,185.94</b>	<b>84,788.35</b>	<b>87,089.49</b>		



## The KCP Limited

### SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES - CONSOLIDATED

The Group has reported segment information as per IND AS 108 "Operating segments" Read with regulation 33 of the SEBI (Listing Obligations and Disclosure requirements) regulations 2015 as amended.

		(Rs in Lakhs)				
SI No	PARTICULARS	3 MONTHS ENDED			YEAR ENDED	
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
		Audited	Unaudited	Audited	Audited	Audited
<b>1</b>	<b>Segment Revenue (Net Sale / Income from each segment )</b>					
a	Engineering	1,647.02	2,614.73	3,610.22	7,287.58	9,998.22
b	Cement	23,333.60	19,640.76	25,980.01	84,411.37	1,01,736.30
c	Power	3,194.21	2,100.72	3,310.21	11,033.21	12,864.41
d	Hotel	412.14	515.98	453.83	1,801.85	1,614.11
e	Sugar	9,545.67	11,757.07	10,783.87	48,030.28	51,860.63
f	Others / Unallocated	49.04	51.46	88.46	193.03	213.81
	<b>Total</b>	<b>38,181.68</b>	<b>36,680.72</b>	<b>44,226.60</b>	<b>1,52,757.32</b>	<b>1,78,287.48</b>
	Less: Inter segment Revenue	3,012.98	2,083.47	3,207.74	10,398.68	12,157.34
	<b>Net Sales / Income from Operations</b>	<b>35,168.70</b>	<b>34,597.25</b>	<b>41,018.86</b>	<b>1,42,358.65</b>	<b>1,66,130.14</b>
<b>2</b>	<b>Segment Results</b>					
	(Profit (+) / Loss (-) before tax and Interest from each segment					
a	Engineering	(497.39)	(349.50)	961.30	(2,352.41)	27.15
b	Cement	1,691.00	(343.19)	2,183.14	2,644.88	6,947.41
c	Power	(374.44)	(110.64)	(257.84)	(466.59)	184.76
d	Hotel	(126.69)	(63.74)	(130.98)	(415.65)	(660.09)
e	Sugar	3,422.57	437.44	2,900.70	9,632.21	9,473.75
e	Others	2.15	(3.98)	1.10	(5.38)	3.24
f	Other unallocable expenditure(-) net of unallocable Income (+)	(127.20)	(104.63)	(337.98)	(66.34)	(125.56)
	<b>Total</b>	<b>3,990.00</b>	<b>(538.23)</b>	<b>5,319.45</b>	<b>8,970.71</b>	<b>15,850.66</b>
	Less:					
	Interest expenses	1,312.32	1,591.00	1,075.28	5,939.80	3,908.92
	Interest income	(56.23)	(383.95)	(213.40)	(907.02)	(414.93)
	<b>Total Profit Before Tax</b>	<b>2,733.91</b>	<b>(1,745.28)</b>	<b>4,457.58</b>	<b>3,937.93</b>	<b>12,356.67</b>
<b>3</b>	<b>Segment Assets</b>					
a	Engineering	13,378.69	15,403.71	15,170.05		
b	Cement	86,947.93	84,242.84	89,826.25		
c	Power	23,343.99	22,947.47	25,289.52		
d	Hotel	8,770.01	9,058.46	9,487.12		
e	Sugar	57,976.56	50,562.30	49,394.31		
f	Unallocated	6,904.49	8,620.52	6,562.19		
	<b>Total</b>	<b>1,97,321.66</b>	<b>1,90,835.31</b>	<b>1,95,729.44</b>		
<b>4</b>	<b>Segment Liabilities</b>					
a	Engineering	9,868.77	11,348.91	9,025.55		
b	Cement	50,236.20	50,855.09	52,304.64		
c	Power	4,186.87	3,817.54	4,276.66		
d	Hotel	2,065.85	2,331.66	2,939.92		
e	Sugar	30,288.39	25,184.68	27,530.03		
f	Unallocated	16,843.71	16,461.50	18,597.03		
	<b>Total</b>	<b>1,13,489.79</b>	<b>1,09,999.39</b>	<b>1,14,673.84</b>		

Notes on segment information:-

1) Operating segment is business activity for which operating results are regularly reviewed by the Chief operating decision maker to make decisions about resource allocation and performance measurement.



**THE KCP LIMITED**

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

**STATEMENT OF ASSETS AND LIABILITIES**

(Rs in Lakhs)

	Particulars	STANDALONE		CONSOLIDATED	
		AS AT 31.03.2020	AS AT 31.03.2019	AS AT 31.03.2020	AS AT 31.03.2019
	<b>ASSETS</b>				
	<b>Non-current assets</b>				
(a)	Property, Plant and Equipment	93,985.02	93,869.67	1,17,429.85	1,18,316.44
(b)	Capital Work-in-progress	1,186.53	3,973.96	1,539.47	4,190.60
(c)	Investment Property	0.75	0.75	0.75	0.75
(d)	Other Intangible Assets	597.02	266.05	597.02	266.05
(e)	Financial Assets				
	(i) Investments	2,883.44	2,889.88	1,476.63	1,533.99
	(ii) Trade Receivables	552.52	319.68	552.52	319.68
	(iv) Other financial assets	23.18	25.08	23.18	25.08
(g)	Other Non-current Assets	986.01	2,546.01	986.01	2,546.01
	<b>Current assets</b>				
(a)	Inventories	15,195.53	17,712.80	28,911.03	34,908.11
(b)	Financial Assets				
	(ii) Trade Receivables	4,311.78	2,937.88	8,862.84	8,049.30
	(iii) Cash and cash equivalents	1,886.81	1,166.62	1,964.80	1,570.68
	(iv) Bank balances other than (iii) above	1,658.11	1,853.53	25,472.03	11,046.67
	(vi) Other financial assets	224.45	2,936.42	224.45	2,938.85
(c)	Current Tax Assets (Net)	1,705.94	829.98	1,705.94	829.98
(d)	Other Current assets	4,689.17	4,794.83	7,575.14	9,187.24
	<b>Total Assets</b>	<b>1,29,886.26</b>	<b>1,36,123.13</b>	<b>1,97,321.67</b>	<b>1,95,729.45</b>
	<b>EQUITY AND LIABILITIES</b>				
	<b>Equity</b>				
(a)	Equity Share Capital	1,289.21	1,289.21	1,289.21	1,289.21
(b)	Other Equity	45,411.11	47,744.43	82,542.67	79,766.40
	Non Controlling Interest	-	-	19,269.18	16,688.93
	Deferred Government Grants	30.41	32.41	30.41	32.41
	<b>LIABILITIES</b>				
	<b>Non-current liabilities</b>				
(a)	Financial Liabilities				
	(i) Borrowings	26,957.64	33,319.07	28,034.83	35,727.45
	(ii) Trade Payables				
	Due to Others	271.26	271.26	271.26	271.26
	(iii) Other financial liabilities (Other than those specified in item (b), to be specified)	5,261.01	5,049.14	8,752.39	7,815.97
(b)	Provisions	1,791.07	1,377.89	1,791.07	1,377.89
(c)	Deferred Tax Liabilities (Net)	4,485.87	6,160.28	4,485.87	6,160.28
	<b>Current liabilities</b>				
(a)	Financial Liabilities				
	(i) Borrowings	11,490.82	11,394.64	13,068.00	11,394.64
	(ii) Trade payables				
	Due to Micro and Small Enterprises	15.80	46.19	15.80	46.19
	Due to Others	11,411.75	7,106.78	12,950.60	9,462.95
	(iii) Current Maturities of Long Term Borrowings	12,304.19	11,047.73	13,806.20	12,450.22
	(iv) Other financial liabilities (other than those specified in item (c))	7,704.59	8,832.82	9,379.65	10,578.66
(b)	Other current liabilities	1,080.68	2,073.34	1,253.68	2,289.06
(c)	Provisions	380.86	377.93	380.86	377.93
	<b>Total Equity and Liabilities</b>	<b>1,29,886.26</b>	<b>1,36,123.13</b>	<b>1,97,321.67</b>	<b>1,95,729.45</b>



## STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2020

PARTICULARS	For FY 2019-20	For FY 2020-21
<b>(A) Cash flow from operating activities</b>		
Profit before tax from continuing operations	-2,539.59	5,480.20
<b>Profit before tax</b>	<b>-2,539.59</b>	<b>5,480.20</b>
Adjustments for :		
Depreciation on tangible fixed assets	7,077.96	5,157.71
Amortization on intangible fixed assets	62.90	35.62
Loss/[profit] on sale of fixed assets	35.11	-24.83
Assets written off	23.01	79.87
Expected Credit loss	1.06	-1.85
Discounting of trade receivables	21.59	11.14
Amortisation of government grant	-2.00	-1.99
Unrealised foreign exchange loss/ (gain)	0.12	28.92
Actuarial gain on defined benefit plan-gratuity	-280.10	-87.22
Actuarial loss on defined benefit plan-leave	-65.76	-223.84
Interest expense	5,641.40	3,419.10
Interest income	-248.00	-234.69
Dividend income	-2,872.69	-1,424.38
<b>Operating profit before working capital changes</b>	<b>6,855.01</b>	<b>12,213.75</b>
<b>Movements in working capital:</b>		
Adjustments for Increase / (Decrease) in operating liabilities :		
Increase/[decrease] in trade payables	4,274.57	1,950.64
Increase/[decrease] in non current- other financial liabilities	197.43	1,095.20
Increase/[decrease] in long term provisions	413.17	152.26
Increase/[decrease] in current- other financial liabilities	-1,128.22	-1,443.74
Increase/[decrease] in other current liabilities	-992.66	1,375.06
Increase/[decrease] in current provisions	2.93	4.79
Adjustments for Decrease / (Increase) in operating assets :		
Decrease/[increase] in non current trade receivables	-254.55	-62.15
Decrease/[increase] in non current other financial assets	1.90	-4.21
Decrease/[increase] in other non-current assets	1,560.00	1,243.06
Decrease/[increase] in inventories	2,517.28	-5,004.50
Decrease/[increase] in current trade receivables	-1,374.96	-419.29
Decrease/[increase] in other bank deposits	195.42	-376.74
Decrease/[increase] in current other financial assets	2,711.97	-2,818.68
Decrease/[increase] in other current assets	105.66	1,002.93
<b>Cash generated from/[used in] operations</b>	<b>15,084.95</b>	<b>8,908.38</b>
Direct taxes paid [net of refunds]	-687.46	-1,136.88
<b>Net cash flow from/[used in] operating activities (A)</b>	<b>14,397.49</b>	<b>7,771.50</b>
<b>(B) Cash flows from Investing activities</b>		
Purchase of Fixed assets, including intangible assets, CWIP	-5,456.09	-12,678.01
Proceeds from sale of fixed assets	598.21	29.11
Purchase of current investments	-0.69	-0.72
Interest received	248.00	221.67
Dividends received	2,872.69	1,424.38
<b>Net cash flow from/[used in] investing activities (B)</b>	<b>-1,737.88</b>	<b>-11,003.57</b>
<b>C. Cash flows from financing activities</b>		
Proceeds/ (Repayment) from long term Borrowings (net)	-5,104.98	2,371.16
Proceeds/ (Repayment) of short term borrowings	96.18	5,465.87
Interest paid	-5,641.40	-3,407.96
Dividends paid	-1,289.21	-1,289.21
<b>Net cash flow from/[used in] in financing activities [C]</b>	<b>-11,939.42</b>	<b>3,139.85</b>
Net increase/[decrease] in cash and Bank Balances (A+B+C)	720.19	-92.22
Cash and Bank Balances at the beginning of the year	1,166.62	1,258.84
<b>Cash and Bank Balances at the end of the year</b>	<b>1,886.81</b>	<b>1,166.62</b>
<b>Components of cash and Bank Balances</b>		
Cash on hand	9.17	9.19
Cheques/drafts on hand	69.90	35.01
Balance in current account	1,807.74	422.42
On deposit account	-	700.00
<b>Total Cash and Bank Balances</b>	<b>1,886.81</b>	<b>1,166.62</b>

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2020 - CONSOLIDATED

PARTICULARS	CURRENT YEAR 2019-20	PREVIOUS YEAR 2018-19
<b>(A) Cash flow from operating activities</b>		
Profit before tax from continuing operations	6,809.94	13,767.65
Share of profits from joint venture	29.11	157.17
<b>Profit before tax</b>	<b>6,839.04</b>	<b>13,924.83</b>
Adjustments for :		
Depreciation/ Amortization on continuing operation	9,546.18	7,526.11
Depreciation/amortization on continuing operation	62.90	35.62
Loss/(profit) on sale of fixed assets	35.11	-24.83
Assets written off	23.01	79.87
Expected Credit loss	1.06	-1.85
Discounting of trade receivables	21.59	11.14
Amortisation of government grant	-2.00	-1.99
Unrealised foreign exchange loss/ (gain)	0.12	28.92
Actuarial loss on defined benefit plan-gratuity	-471.16	-87.22
Actuarial loss on defined benefit plan-leave	-65.76	-223.84
Translation gain/loss during the year	2,865.83	1,146.74
Interest expense	5,641.40	3,419.10
Share of OCI of Associate	-0.02	-28.95
Interest income	-248.00	-234.69
Dividend income	-2,872.69	-1,424.38
<b>Operating profit before working capital changes</b>	<b>21,376.61</b>	<b>24,144.57</b>
<b>Movements in working capital:</b>		
Adjustments for Increase / (Decrease) in operating liabilities :		
Increase/(decrease) in trade payables	3,457.26	-768.05
Increase/(decrease) in other financial liabilities (non-current)	921.98	936.83
Increase/(decrease) in long term provisions	413.17	152.26
Increase/(decrease) in other financial liabilities (Current)	-1,199.01	-958.96
Increase/(decrease) in other current liabilities	-1,035.38	1,385.34
Increase/(decrease) in short-term provisions	2.93	4.79
Adjustments for [(Increase)/decrease in operating assets :		
[(Increase)/decrease in trade receivables (non-current)	-254.55	-62.15
[(Increase)/decrease in other financial assets (non-current)	1.90	-4.21
[(Increase)/decrease in other non-current assets	1,560.00	1,243.06
[(Increase)/decrease in inventories	5,997.08	1,042.03
[(Increase)/decrease in trade receivables (current)	-814.60	-791.43
[(Increase)/decrease in other bank deposits	-14,425.36	-9,569.88
[(Increase)/decrease in other financial assets (current)	2,714.40	-2,817.67
[(Increase)/decrease in other current assets	1,612.10	2,376.88
<b>Cash generated from/(used in) operations</b>	<b>20,328.54</b>	<b>16,313.40</b>
Direct taxes paid (net of refunds)	-687.46	-1,136.88
<b>Net cash flow from/(used in) operating activities (A)</b>	<b>19,641.08</b>	<b>15,176.52</b>
<b>(B) Cash flows from investing activities</b>		
Purchase of fixed assets, Including Intangible assets, CWIP	-7,058.66	-14,011.57
Proceeds from sale of fixed assets	598.21	29.11
Purchase of non-current investments	-0.69	-0.72
(Increase)/Decrease in value of investments in joint venture	-29.08	-128.22
Interest received	248.00	221.67
Dividends received	3,063.74	41.21
<b>Net cash flow from/(used in) investing activities (B)</b>	<b>-3,178.48</b>	<b>-13,848.53</b>
<b>C. Cash flows from financing activities</b>		
Repayment of long term Borrowings (net)	-6,336.65	1,137.89
Proceeds from short term borrowings	1,673.36	2,807.59
Interest paid	-5,641.40	-3,407.96
Dividends paid	-5,763.79	-1,980.80
<b>Net cash flow from/(used in) in financing activities (C)</b>	<b>-16,068.48</b>	<b>-1,443.28</b>
Net increase/(decrease) in cash and Bank Balances (A+B+C)	394.12	-115.28
Cash and Bank Balances at the beginning of the year	1,570.68	1,685.96
Cash and Bank Balances at the end of the year	1,964.80	1,570.68
<b>Components of cash and Bank Balances</b>		
Cash on hand	14.53	13.13
Deposits with original maturity of less than 3 months		700.00
With banks on current account	1,880.37	822.55
Cheques/drafts on hand	69.90	35.01
<b>Total Cash and Bank Balances</b>	<b>1,964.80</b>	<b>1,570.68</b>





Ref: KCP: CS : SE : RB : 19-20 : 180620202

June 18, 2020

National Stock Exchange of India Limited(NSE)  
**Scrip : KCP**  
BandraKurla Complex,  
Bandra (E)  
Mumbai-400 051

Bombay Stock Exchange Ltd (BSE)  
**Scrip - 590066**  
Floor No.25, P J Towers  
Dalal Street,  
Mumbai 400 001

Dear Sir /Madam,

Sub: Declaration in terms of Regulation 33(3)(d) of the SEBI (LODR) Regulations, 2015.

In terms of the Second proviso to Regulation 33(3)(d) of the SEBI (LODR) Regulations, 2015, we declare that M/s. K.S. Rao & Co., Statutory Auditors of the Company have submitted their Audit Reports on the Audited Standalone and Consolidated Financial Results of the Company for the quarter and year ended 31/03/2020 with unmodified opinion(s).

This is for your information and records.

Thanking You,

Yours faithfully,  
For THE KCP LIMITED

A handwritten signature in black ink, appearing to read 'Y. Vijayakumar', written over a horizontal line.

**Y. VIJAYAKUMAR**  
**COMPANY SECRETARY &**  
**COMPLIANCE OFFICER.**

**THE KCP LIMITED**

Registered Office: Ramakrishna Buildings, 2, Dr. P. V. Cherian Crescent, Egmore, Chennai 600 008. INDIA

Phone: + 91-44-6677 2600 Fax: + 91-44-6677 2620 E-mail: corporate@kcp.co.in

[www.kcp.co.in](http://www.kcp.co.in)

CIN : L65991TN1941PLC001128



**Independent Auditors' Report on Standalone Annual Financial Results of The KCP Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To the Board of Directors of  
The KCP Limited

**Report on the audit of the Standalone Annual Financial Results  
Opinion**

We have audited the standalone financial results for the year ended 31 March 2020, in the accompanying "Statement of Standalone Financial Results for the Quarter and Year ended March 31, 2020" of "The KCP Limited" being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

**Opinion on Annual Financial Results**

In our opinion and to the best of our information and according to the explanations given to us, the standalone financial results for the year ended March 31, 2020:

- i). are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended; and
- ii). give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net loss and other comprehensive loss and other financial information for the year ended 31 March 2020.

**Basis for Opinion on the Audited Standalone Financial Results for the year ended March 31, 2020**

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results* 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion.



### **Management's Responsibilities for the Statements**

This Statement which includes the standalone annual financial results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Standalone Financial Results for the year ended March 31, 2020 has been compiled from the related audited standalone financial statements. This responsibility includes the preparation and presentation of the standalone financial results for the quarter and year ended March 31, 2020 that give a true and fair view of the net profit and other comprehensive loss and other financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under section 133 of the Act read with relevant rules issued thereunder and other

accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial results, the Board of Directors are 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 also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities**

#### **(a) Audit of the Standalone Financial Results for the year ended March 31, 2020**

Our objectives are to obtain reasonable assurance about whether the standalone financial results for the year ended March 31, 2020 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 results.

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 Annual Standalone Financial Results, 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' 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 company 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 Statement 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 Annual standalone financial results, including the disclosures, and whether the Annual Standalone Financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations to the extent applicable.
- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial results of the company to express an opinion on the Annual Standalone Financial Results.

Materiality is the magnitude of misstatements in the Annual Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Standalone Financial Results may be influenced. We consider quantitative materiality and quantitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual Standalone Financial Results.

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.



**Other Matters**

The statements includes the results for the quarter ended March 31, 2020 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our report on the statement is not modified in respect of this matter.

Place: Hyderabad

Date: 18/06/2020

for K. S. RAO & Co  
Chartered Accountants  
FirmRegistrationNo: 003109S

Perugu  
Govardhana  
Reddy

Digitally signed by  
Perugu Govardhana  
Reddy  
Date: 2020.06.18 16:01:14  
+05'30'

**(P.GOVARDHANA REDDY)**

Partner

Membership no: 029193

UDIN: 20029193AAAFK5614.



**Independent Auditors' Report on Audit of Annual Consolidated Financial Results**

To the Board of Directors of  
The KCP Limited

**Opinion and Conclusion**

We have audited the Consolidated Financial Results for the year ended 31 March 2020, in the accompanying "Statement of Consolidated Financial Results for the Quarter and Year ended March 31, 2020" of "The KCP Limited" (Holding Company) and its subsidiary (Holding and subsidiary together referred to as "the Group") and its Joint venture being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

**Opinion on Annual Consolidated Financial Results**

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the audit report of the other auditor on separate financial statements of the subsidiary and joint venture referred to in the Other Matters section below, the Consolidated Financial Results for the year ended March 31, 2020:

i) includes the results of the following entities:

a) KCP Vietnam Industries Limited- Subsidiary

b) Fives Cail KCP Limited-Joint Venture

ii) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended; and

iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the consolidated net profit and consolidated total other comprehensive income and other financial information of the group for the year ended 31 March 2020.

**Basis for Opinion on the Audited Consolidated Financial Results for the year ended March 31, 2020**

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results* 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion.



### **Management's Responsibilities for the Statements**

This Statement which includes the consolidated financial results is the responsibility of the Holding Company's Board of Directors and has been approved by them for the issuance. The Consolidated Financial Results for the year ended March 31, 2020 has been compiled from the related audited financial statements. This responsibility includes the preparation and presentation of the Consolidated financial results for the quarter and year ended March 31, 2020 that give a true and fair view of the consolidated net profit and consolidated other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

This respective Board of directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results 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 this Consolidated Financial Results by the directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Results, the respective Board of Directors of the companies included in the group are responsible for assessing the ability of the respective entities, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company 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 are responsible for overseeing the Company's financial reporting process of the Group.

### **Auditor's Responsibilities**

#### **(a) Audit of the Consolidated Financial Results for the year ended March 31, 2020**

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results for the year ended March 31, 2020 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 Results.

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 Annual Consolidated Financial Results, 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' 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 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 Results, 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 Annual Consolidated Financial Results, including the disclosures, and whether the Annual Consolidated Financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations to the extent applicable.
- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial results/Financial information of the entities within the group to express an opinion on the Annual Consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Annual Consolidated Financial Results, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Annual Consolidated Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Consolidated Financial Results may be influenced. We consider quantitative materiality and quantitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual Consolidated Financial Results.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Results, 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.

**Other Matters**

- The statements includes the results for the quarter ended March 31, 2020 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our report on the statement is not modified in respect of this matter.
- We did not audit the financial statements of the subsidiary included in the consolidated financial results, whose financial statements reflects total assets of Rs.68,842 Lakhs as at 31<sup>st</sup> March 2020, and total revenues of Rs.48,591 Lakhs for the year ended March 31, 2020 and total net profit after tax of Rs.9349.52 Lakhs for the year ended March 31, 2020 and net cash outflows of Rs.5406.56 Lakhs for the year ended March 31, 2020 as considered in the statement. These financial statements have been audited by the other auditor whose report has been furnished to us by the management and our opinion and conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on the report of the auditor and the procedures performed by us as stated under Auditor's Responsibilities section above. Our report on the Statement 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.
- We did not audit the financial statements of the Joint venture included in the consolidated financial results, and the consolidated financial statements also includes Group's share of net profit of Rs.45.55 Lakhs for the year ended March 31, 2020 as considered in the statement. These financial statements have been audited by the other auditor whose report has been furnished to us by the management and our opinion and conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this joint venture is based solely on the report of the auditor and the procedures performed by us as stated under Auditor's Responsibilities section above. Our report on the Statement 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.

for K. S. RAO & Co  
Chartered Accountants  
Firm Registration No: 003109S

Perugu Govardhana Reddy Digitally signed by Perugu Govardhana Reddy  
Date: 2020.06.17 19:36:21 +05'30'

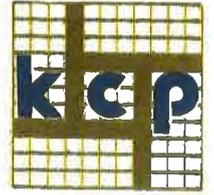
Place: Hyderabad

Date: 18/06/2020

(P. GOVARDHANA REDDY)  
Partner

Membership no: 029193

UDIN: 20029193AAAF5022



Ref: KCP: CS : SE : RB : 19-20 : 180620202

June 18, 2020

National Stock Exchange of India Limited(NSE)  
**Scrip : KCP**  
BandraKurla Complex,  
Bandra (E)  
Mumbai-400 051

Bombay Stock Exchange Ltd (BSE)  
**Scrip - 590066**  
Floor No.25, P J Towers  
Dalal Street,  
Mumbai 400 001

Dear Sir /Madam,

Sub: Declaration in terms of Regulation 33(3)(d) of the SEBI (LODR) Regulations, 2015.

In terms of the Second proviso to Regulation 33(3)(d) of the SEBI (LODR) Regulations, 2015, we declare that M/s. K.S. Rao & Co., Statutory Auditors of the Company have submitted their Audit Reports on the Audited Standalone and Consolidated Financial Results of the Company for the quarter and year ended 31/03/2020 with unmodified opinion(s).

This is for your information and records.

Thanking You,

Yours faithfully,  
For **THE KCP LIMITED**

A handwritten signature in black ink, appearing to be 'Y. Vijayakumar', is written over a horizontal line. The signature is fluid and cursive.

**Y. VIJAYAKUMAR**  
**COMPANY SECRETARY &**  
**COMPLIANCE OFFICER.**

**THE KCP LIMITED**

Registered Office: Ramakrishna Buildings, 2, Dr. P. V. Cherian Crescent, Egmore, Chennai 600 008. INDIA

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CIN : L65991TN1941PLC001128