

Date : June 22, 2020

Corporate Relationship Department  
BSE Limited,  
PhirozeJeejeebhoy Towers,  
Dalal Street  
Mumbai - 400 001  
Scrip Code / ID : 524019 / KINGFA

The Manager, Capital Market (Listing)  
National Stock Exchange of India Limited  
Exchange Plaza,  
BandraKurla Complex, Bandra East,  
Mumbai - 400051  
Symbol : KINGFA

Dear Sir / Madam,

**Sub : Audited Financial Results for the quarter and year ended March 31, 2020, Auditor's Report and Outcome of the Board Meeting held on June 22, 2020**

Pursuant to Regulations 30 and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith:

1. **Audited Financial Results** of the Company for the quarter and year ended March 31, 2020, which were approved by the Board of Directors in its Meeting held on June 22, 2020;
2. **Auditors Report** received from M/s. P.G. Bhagwat, Chartered Accountants, Statutory Auditors of the Company on aforesaid Audited Financial Results;
3. A **declaration** in respect of Audit Report with unmodified opinion.

The Meeting of the Board of Directors of the Company commenced at 11.30 a.m. and concluded at 02.10 p.m.

In view of the COVID - 19 situation, we are submitting this disclosure / announcement without Signature in Sd/- mode.

You are requested to take the same on your record.

Thanking you,

Yours faithfully,  
for Kingfa Science & Technology (India) Limited,

Sd/-

(NIRNOY SUR)  
Company Secretary

Encl : as above

**KINGFA SCIENCE & TECHNOLOGY (INDIA) LIMITED**

(FORMERLY HYDRO S &amp; S INDUSTRIES LIMITED)

CIN : L25209TN1983PLC010438

Regd. Office : Dhun Building, III Floor, 827, Anna Salai, Chennai - 600 002.

Phone : 044 - 28521736 Fax : 044 - 28520420 E-mail : cs@kingfaindia.com Website : www.kingfaindia.com

**Statement of Audited Financial Results for the Quarter and Year ended on March 31, 2020****(Rs. in Lakhs)**

S No.	Particulars	Quarter Ended			Year Ended	
		March 31, 2020	December 31, 2019	March 31, 2019	March 31, 2020	March 31, 2019
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1	(a) Revenue from Operations	17,937.62	18,847.47	18,088.54	74,150.03	70,152.45
	(b) Other Income	70.25	56.24	297.96	256.18	437.69
	<b>Total Income</b>	<b>18,007.87</b>	<b>18,903.71</b>	<b>18,386.50</b>	<b>74,406.21</b>	<b>70,590.14</b>
2	Expenses					
	a) Cost of materials consumed	13,227.84	14,505.94	13,771.21	57,860.76	55,637.45
	b) Purchase of stock-in-trade	645.81	511.31	605.63	3,580.10	3,731.76
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	610.93	537.70	104.52	(684.45)	308.95
	d) Employees benefits expense	462.01	440.56	99.50	1,542.39	1,123.03
	e) Finance costs	134.84	82.70	55.09	354.77	207.24
	f) Depreciation and amortisation expense	233.34	234.83	197.98	895.62	800.80
	g) Other expenses	2,592.56	1,870.66	1,657.42	7,522.62	5,858.56
	<b>Total Expenses</b>	<b>17,907.33</b>	<b>18,183.70</b>	<b>16,491.35</b>	<b>71,071.81</b>	<b>67,667.79</b>
3	<b>Profit before tax (1-2)</b>	<b>100.54</b>	<b>720.01</b>	<b>1,895.15</b>	<b>3,334.40</b>	<b>2,922.35</b>
4	<b>Tax expenses [Refer Note No. 8]</b>	<b>36.06</b>	<b>(41.65)</b>	<b>646.08</b>	<b>872.75</b>	<b>1,016.85</b>
	- Current Tax	25.90	121.66	657.00	1,025.90	1,090.00
	- Deferred Tax	10.16	(163.31)	(10.92)	(153.15)	(73.15)
5	<b>Profit after tax (3-4)</b>	<b>64.48</b>	<b>761.66</b>	<b>1,249.07</b>	<b>2,461.65</b>	<b>1,905.50</b>
6	<b>Other Comprehensive Income (net of tax expenses)</b>	<b>(17.29)</b>	<b>-</b>	<b>42.84</b>	<b>(17.29)</b>	<b>14.43</b>
7	<b>Total Comprehensive Income (5+6)</b>	<b>47.19</b>	<b>761.66</b>	<b>1,291.91</b>	<b>2,444.36</b>	<b>1,919.93</b>
8	<b>Paid-Up Equity Share Capital</b> [Face value of Rs.10 each]	1,211.05	1,211.05	1,211.05	1,211.05	1,211.05
	No. of Equity Shares	1,21,10,461	1,21,10,461	1,21,10,461	1,21,10,461	1,21,10,461
9	Earnings per equity share (Face value of Rs.10 each)					
	Basic	0.53	6.29	10.31	20.33	15.73
	Diluted	0.53	6.29	10.31	20.33	15.73

## NOTES:

## 1 Statement of assets and liabilities (Balance Sheet)

(Rs. In lakhs)

Statement of Assets and Liabilities	March 31, 2020	March 31, 2019
<b>Non-Current Assets</b>		
Property plant and equipment	10,671.08	8,490.32
Capital work in progress	11,454.06	7,859.93
Intangible assets	4.60	8.75
<b>Financial assets</b>		
Other financial assets	7.58	615.12
Deferred rent receivable	-	-
Current tax(net)	464.87	120.57
Other non-current assets	865.73	818.71
<b>Non-current assets</b>	<b>23,467.92</b>	<b>17,913.40</b>
<b>Current Assets</b>		
Inventerios	11,108.77	10,256.24
<b>Financial assets</b>		
Invetsments	-	-
Trade receivables	19,674.22	20,955.52
Cash and cash equivalents	228.91	1,310.25
Bank balances other than above	2,054.73	4,000.00
Other financial assets	967.21	314.24
Other current assets	2,128.23	390.29
<b>Current assets</b>	<b>36,162.07</b>	<b>37,226.54</b>
<b>TOTAL ASSETS</b>	<b>59,629.99</b>	<b>55,139.94</b>
<b>Equity &amp; Liabilities</b>		
Equity		
Equity share capital	1,211.05	1,211.05
Other equity	33,647.90	31,238.20
	<b>34,858.95</b>	<b>32,449.25</b>
<b>Non-current Liabilities</b>		
<b>Financial liabilities</b>		
Borrowings	1,815.96	1,660.11
Other financial liabilities	4.50	4.50
Lease liability	6.90	-
Deferred tax liabilities	118.08	295.68
Government grants	115.61	116.98
Other non current liabilities		
<b>Non-Current Liabilities</b>	<b>2,061.05</b>	<b>2,077.27</b>
<b>Current Liabilities</b>		
<b>Financial liabilities</b>		
Borrowings	2,694.22	-
Trade and other payables	19,066.06	19,493.70
Other financial liabilities	199.58	275.10
Lease liabilities	90.98	-
Other current liabilities	616.18	426.44
Short-term provisions	42.97	18.17
Provisions	-	400.01
<b>Current liabilities</b>	<b>22,709.99</b>	<b>20,613.42</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>59,629.99</b>	<b>55,139.94</b>

Particulars	Year ended	Year ended
	March 31, 2020	March 31, 2019
	Audited	Audited
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit before Tax</b>	<b>3,334.40</b>	<b>2,922.36</b>
Adjustments to reconcile profit before tax to net cash flows:		
<b>Add:</b>		
Depreciation and Amortisation	895.62	800.80
Provision for doubtful debts and advances (net)	609.63	65.87
Net gain / ( Loss ) on ECB Scheme	155.85	99.05
Loss / ( Profit ) on Revalorisation on Imports	1,193.96	(437.67)
Loss / ( Profit ) on Revalorisation on Exports	(109.52)	5.84
Interest on lease liability	17.84	-
Finance cost	336.94	207.24
	<b>3,100.32</b>	<b>741.13</b>
<b>Less:</b>		
Surplus on sale of assets	-	1.16
Gain on reversal of Lease liability	3.55	-
Interest received	246.75	426.45
	<b>250.30</b>	<b>427.61</b>
<b>Operating Profit before working capital changes</b>	<b>6,184.42</b>	<b>3,235.88</b>
<b>Working Capital Adjustments</b>		
(Increase) / Decrease in Government Grant	(1.37)	-
(Increase) / Decrease in Trade and Other Receivables	930.25	716.77
(Increase) / Decrease in Inventories	(852.53)	1,332.87
Increase / ( Decrease ) in Trade and other Payables	(1,457.98)	5,371.49
Increase / ( Decrease ) in Provisions	1.69	(78.43)
	<b>(1,379.94)</b>	<b>7,342.70</b>
<b>Net Cash generated from operations</b>	<b>4,804.48</b>	<b>10,578.58</b>
Direct taxes paid	(1,770.20)	(1,022.93)
<b>Net Cash Flow From Operating Activities</b>	<b>3,034.28</b>	<b>9,555.65</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
<b>Add :</b>		
Sale of Property, Plant and Equipment	-	80.35
Interest received	260.92	449.46
	<b>260.92</b>	<b>529.81</b>
<b>Less :</b>		
Purchase of Property, Plant and Equipment	6,553.10	8,209.26
	<b>6,553.10</b>	<b>8,209.26</b>
<b>Net Cash Generated From Investing Activities</b>	<b>(6,292.18)</b>	<b>(7,679.45)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Borrowings	2,694.22	(585.04)
Interest paid (finance cost)	(368.49)	(113.46)
Payment of lease	(131.32)	-
Interest on Lease liability	(17.84)	-
<b>Net Cash Used In Financing Activity</b>	<b>2,176.57</b>	<b>(698.50)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(1,081.33)</b>	<b>1,177.70</b>
<b>Opening Cash and Cash equivalents</b>	<b>1,310.24</b>	<b>132.55</b>
<b>Closing Cash and Cash equivalents</b>	<b>228.91</b>	<b>1,310.25</b>

- 3 The above results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on June 22, 2020. The Statutory auditors of the Company have carried out an audit of the results for the year ended March 31, 2020.
- 4 The figures for the quarter ended 31 March 2020, as reported in the financial results, are the balancing figures between the audited figures in respect of the full financial year and published figures of nine months ended 31 December 2019. The figures for the nine months ended 31 December 2019 have been subjected to limited review by the statutory auditors.
- 5 The financial statement has been prepared in accordance with India Accounting Standards (IND AS), the provisions of Companies Act 2013, as applicable guidelines issued by Securities Exchange Board of India (SEBI).
- 6 The Company manufactures "Reinforced Polypropylene" which is a single segment in accordance with Ind AS 108 - "Operating segment" notified pursuant to Companies (Indian Accounting Standards) Rules, 2015.
- 7 Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases" using modified retrospective approach. Consequently, the Company has recorded lease liability of Rs. 233.44 lakhs calculated as the present value of the remaining lease payments discounted at the incremental borrowing rate. Right of use asset has been recognised at Rs. 180.22 lakhs determined at net of the amount calculated by applying the standard since the date of the commencement of lease and the resulting depreciation upto the date of adoption. The net effect of initial application of Ind AS 116 has been adjusted to retained earnings of Rs. 34.62 lakhs (net of taxes) as on April 1, 2019.

Due to transition, the nature of expenses in respect of operating leases has changed from "lease rent" to "depreciation cost" and "finance cost" for the right-to-use assets and for interest accrued on lease liability respectively, and therefore these expenses for the current period are not comparable to the previous periods disclosed. The adoption of the standard did not have any material impact on the profit for the period as compared to previous periods.

- 8 The company has opted to exercise the option under section 115BBA of the Income Tax act 1961 as introduced by the Taxation Laws (Amendment) Ordinance 2019. Accordingly the company has recognised the provision for Income Tax for the year ended on March 2020 and remeasured its deferred tax basis in accordance with the prescribed rate.

Other expenses includes exchange gain/(loss) as per following.

(Rs. In lakhs)

Particulars	Quarter Ended		Year Ended		
	March 31, 2020	December 31, 2019	March 31, 2019	March 31, 2020	March 31, 2019
Foreign exchange gain/ (loss)	(923.82)	(24.62)	222.97	(1,208.98)	(811.83)

- 10 The COVID-19 outbreak to spread rapidly in India and across the globe. Various measures taken by the Government to contain the spread of virus including the lock-downs have affected the economic activity and caused disruption to regular business operations of the Company. The extent to which the COVID-19 pandemic will impact Company's results will depend on future developments, which are highly uncertain. The Company has made Initial assessment of recoverability of its assets like trade receivables, inventories and other asset and is reasonably certain that these need not be impaired. However the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The impact of COVID-19 may be different from that estimated as at the date of approval of these financial results and the Board will continue to closely monitor the developments.
- 11 Previous period's figures have been regrouped / reclassified wherever necessary to correspond with the current period's classification / disclosure.

For Kingfa Science & Technology (India) Limited  
(Formerly Hydro S & S Industries Limited)



*[Handwritten Signature]*

BO JINGEN  
Managing Director

Place : Pune  
Date : June 22, 2020

**INDEPENDENT AUDITORS' REPORT**

**TO THE BOARD OF DIRECTORS OF KINGFA SCIENCE & TECHNOLOGY (INDIA) LIMITED**

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

**Opinion**

We have audited the accompanying standalone quarterly and annual financial results of KINGFA SCIENCE & TECHNOLOGY (INDIA) LIMITED (the Company) for the quarter ended March 31, 2020 and the year to date results for the period from April 1, 2019 to March 31, 2020, attached herewith, 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").

In our opinion and to the best of our information and according to the explanations given to us these standalone financial results:

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information for the quarter ended March 31, 2020 as well as the year to date results for the period from April 1, 2019 to March 31, 2020.

**Basis for Opinion**

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 Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 results 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 opinion.

**Emphasis of Matters**

We draw your attention to Note No. 10 to the financial results, which describes uncertainty of impact due to COVID-19 pandemic on Company's financial performance, which is dependent on future developments.

Our audit opinion is not modified in respect of these matters.



**Management’s Responsibilities for the Standalone Financial Results**

These quarterly and annual financial results as well as the year to date standalone financial results have been prepared on the basis of the standalone financial statements. The Company’s Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rule 2015 (as amended) 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 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 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 for the Audit of the Standalone Financial Results**

Our objectives are to obtain reasonable assurance about whether the standalone financial results 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 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, under section 143(3)(i) of the Act, we are also responsible





# M/s P. G. BHAGWAT

CHARTERED ACCOUNTANTS

for expressing our opinion on whether the company has adequate internal financial control with reference to financial statement 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 the Board of Directors.
- 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 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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the financial results 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.

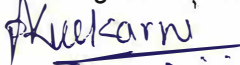
## Other Matters

The quarterly standalone financial results for the period ended March 31, 2020 are the derived figures between the audited figures in respect of the year ended March 31, 2020 and the published year-to-date figures up to December 31, 2019, being the date of the end of the third quarter of the current financial year, which were subjected to limited review as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For **M/s P G Bhagwat**

Chartered Accountants

Firm Registration Number: 101118W



Purva Kulkarni

Partner

Membership Number: 138855

UDIN: 20138855AAAADF4030

Pune

June 22, 2020





Date : June 22, 2020

Corporate Relationship Department  
BSE Limited,  
PhirozeJeejeebhoy Towers,  
Dalal Street  
Mumbai - 400 001

The Manager, Capital Market (Listing)  
National Stock Exchange of India Limited  
Exchange Plaza,  
BandraKurla Complex, Bandra East,  
Mumbai - 400051

Scrip Code / ID : 524019 / KINGFA

Symbol : KINGFA

Dear Sir / Madam,

**Sub : Declaration in respect of Audit Report with unmodified opinion**

Pursuant to the provisions of the Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as amended, we hereby state that the Statutory Auditors of the Company M/s. P.G.Bhagwat, Chartered Accountants (Firm Registration No.101118W), have issued an Audit Report with unmodified opinion, on the Audited Financial Results of the Company, for the year ended March 31, 2020.

In view of the COVID - 19 situation, we are submitting this disclosure / announcement without Signature in Sd/- mode.

You are requested to take the same on your record.

Thanking you,

Yours faithfully,  
for **Kingfa Science & Technology (India) Limited**,

Sd/-

**(XIE DONGMING)**  
Chief Financial Officer