

KINGFA/SEC/2023-24

**Date : 24-05-2023**

Corporate Relationship Department,  
**BSE Limited**,  
1st Floor, New Trading Ring,  
Rotunda Building, P.J. Towers  
Dalal Street, Fort, Mumbai - 400001.  
**Scrip Code : 524019**

Listing Compliance Dept.  
**National Stock Exchange of India Limited**  
Exchange Plaza,  
Bandra Kurla Complex, Bandra East,  
Mumbai - 400051  
**Symbol : KINGFA**

**Sub.: Outcome of Board Meeting**

**Ref: Regulation 30 and 33 of the SEBI (LODR) Regulations, 2015**

Dear Sir / Ma'am,

In pursuance of the Regulation 30 of the SEBI (LODR) Regulations, 2015 ('Listing Regulation') please be informed that the Board of Directors at its meeting held today i.e., Wednesday, May 24, 2023, inter alia, considered and approved the Audited Financial Results (Standalone) for the quarter & financial year ended March 31, 2023.

Pursuant to Regulation 33(d) of Listing Regulation, please find enclosed herewith the following:

1. Audited Financial Results (Standalone) for the quarter & financial year ended March 31, 2023;
2. Statutory Auditor's Report issued by M/s. P G Bhagwat LLP, Chartered Accounts; and
3. Declaration pursuant to SEBI Circular no. CIR/CFD/CMD/56/2016 dated May, 27, 2016 regarding Audit Report with unmodified opinion

The Board Meeting commenced at 12:30 PM and concluded at 5:15 PM on May 24, 2023.

Kindly take the above on your record and oblige

Thanking you.

Yours faithfully,

For **Kingfa Science & Technology (India) Limited**,

**NIRNO** Digitally signed  
by NIRNOY SUR  
**Y SUR** Date: 2023.05.24  
17:18:12 +05'30'

**Nirnoy Sur**

Company secretary &  
Compliance Officer

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

**CIN :** L25209TN1983PLC010438  
**Regd. Office :** Dhun Building, III Floor,  
827, Anna Salai, Chennai - 600002.  
**Tel:** +44 - 28521736 **Fax:** +44 - 28520420  
**E-mail :** cs@kingfaindia.com  
**Website :** www.kingfaindia.com

**KINGFA SCIENCE & TECHNOLOGY (INDIA) 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

(All figures stated in Audited Financial Results and Notes thereto are in Rupees in Lakhs unless otherwise stated)

**Audited Financial Results for the Quarter and Year ended March 31, 2023**

(Rs. in Lakhs)

S No.	Particulars	Quarter Ended			Year Ended	
		Mar 31, 2023	Dec 31, 2022	Mar 31, 2022	Mar 31, 2023	March 31, 2022
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1	(a) Revenue from Operations	36,558.59	34,037.73	30,439.82	1,40,370.26	1,04,789.66
	(b) Other Income	60.55	122.17	29.83	225.72	90.03
	<b>Total Income</b>	<b>36,619.14</b>	<b>34,159.90</b>	<b>30,469.65</b>	<b>1,40,595.98</b>	<b>1,04,879.69</b>
2	Expenses					
	(a) Cost of materials consumed	27,966.21	25,971.39	25,535.52	1,05,711.96	90,216.92
	(b) Purchase of traded goods	1,522.39	2,220.98	1,771.51	5,813.28	3,043.63
	(c) Changes in inventories of finished goods, work-in-progress and traded goods	(1,928.22)	(1,344.97)	(1,824.13)	206.70	(6,992.11)
	(d) Employees benefits expense	609.60	854.78	591.64	2,471.91	1,985.22
	(e) Finance costs	243.18	138.16	200.57	652.92	528.81
	(f) Depreciation and amortisation expense	362.49	356.83	332.18	1,414.15	1,296.50
	(g) Other expenses	2,917.07	3,250.20	2,663.47	13,365.82	8,341.37
	<b>Total expenses</b>	<b>31,692.72</b>	<b>31,447.37</b>	<b>29,270.76</b>	<b>1,29,636.74</b>	<b>98,420.34</b>
3	<b>Profit before exceptional items and tax</b>	<b>4,926.42</b>	<b>2,712.53</b>	<b>1,198.89</b>	<b>10,959.24</b>	<b>6,459.35</b>
4	Exceptional Items (Note No.8)	-	-	649.61	-	2,324.95
5	<b>Profit before tax (3-4)</b>	<b>4,926.42</b>	<b>2,712.53</b>	<b>549.28</b>	<b>10,959.24</b>	<b>4,134.40</b>
6	Tax expenses	1,264.50	689.44	149.20	2,818.21	1,071.06
	- Current Tax	1,360.00	691.00	175.00	2,970.00	1,149.00
	- Deferred Tax	(95.50)	(1.56)	(25.80)	(151.79)	(77.94)
7	<b>Net Profit for the period (5-6)</b>	<b>3,661.92</b>	<b>2,023.09</b>	<b>400.08</b>	<b>8,141.03</b>	<b>3,063.34</b>
8	Other Comprehensive Income (net of tax expenses)	(0.52)	-	(2.13)	(0.52)	(2.13)
9	<b>Total Comprehensive Income (7+8)</b>	<b>3,661.40</b>	<b>2,023.09</b>	<b>397.95</b>	<b>8,140.51</b>	<b>3,061.21</b>
10	Paid-Up Equity Share Capital [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
11	Earnings per equity share (Face value of Rs.10 each)					
	Basic	30.24	16.71	3.30	67.22	25.29
	Diluted	30.24	16.71	3.30	67.22	25.29



## NOTES:

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

Particulars	As at 31 March 2023	As at 31 March 2022
<b>ASSETS</b>		
<b>I. Non-current assets</b>	<b>27,232.21</b>	<b>26,774.04</b>
(a) Property, plant and equipment	12,341.76	12,552.68
(b) Capital work-in-progress	13,097.43	12,728.74
(c) Intangible assets	0.47	0.94
(d) Financial assets		
(i) Other financial assets	573.57	568.00
(e) Current tax(net)	547.51	547.51
(f) Other non-current assets	671.47	376.17
<b>II. Current assets</b>	<b>73,800.61</b>	<b>61,229.31</b>
(a) Inventories	28,907.83	26,099.78
(b) Financial assets		
(i) Trade receivables	35,784.84	28,285.58
(ii) Cash and cash equivalents	239.54	858.26
(iii) Bank balance other than (ii) above	2,181.85	2,083.40
(iv) Other financial assets	782.46	436.05
(c) Other current assets	5,900.48	3,466.24
(d) Assets classified as held for sale (Note No.9)	3.61	-
<b>Total Assets</b>	<b>1,01,032.82</b>	<b>88,003.35</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>	<b>46,599.25</b>	<b>38,458.74</b>
(a) Equity share capital	1,211.05	1,211.05
(b) Other equity		
(i) Capital reserve	67.18	67.18
(ii) Capital redemption reserve	87.09	87.09
(iii) Securities premium reserve	24,878.38	24,878.38
(iv) General reserve	1,122.76	1,122.76
(v) Retained earnings	19,232.79	11,092.28
<b>Liabilities</b>	<b>491.76</b>	<b>2,451.87</b>
<b>I. Non-current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	-	1,687.50
(ii) Lease liabilities	295.71	415.09
(iii) Other financial liabilities	4.50	4.50
(b) Deferred tax liabilities (net)	79.72	231.69
(c) Government grants	111.83	113.09
<b>II. Current liabilities</b>	<b>53,941.81</b>	<b>47,092.74</b>
(a) Financial liabilities		
(i) Borrowings	3,828.16	2,408.08
(ii) Lease liabilities	119.38	95.16
(iii) Trade and other payables		
(a) Total outstanding dues of micro enterprises and small enterprises	1,120.47	702.84
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	46,331.74	41,993.31
(iv) Other financial liabilities	690.42	1,394.69
(b) Other current liabilities	452.15	416.71
(c) Short-term provisions	107.73	81.95
(d) Current tax liabilities(net)	1,291.76	-
<b>Total Equity and Liabilities</b>	<b>1,01,032.82</b>	<b>88,003.35</b>



## 2 Statement of Cash Flow

Particulars	For Year ended	
	March 31, 2023	March 31, 2022
	Audited	Audited
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before Tax	10,959.24	4,134.40
<i>Adjustments to reconcile profit before tax to net cash flows:</i>		
<i>Add:</i>		
Depreciation and Amortisation	1,414.15	1,296.50
Provision for Impairment Loss	72.04	41.85
Provision for doubtful debts and advances (net)	322.72	73.71
Bad debts written off	456.46	68.85
Unrealised foreign exchange (Gain) / Loss on Interest payable on ECB	12.54	26.68
Unrealized Loss / ( Profit ) on foreign currency trade payable	1,555.49	496.57
Unrealized Loss / ( Profit ) on foreign currency trade receivable	(17.21)	(19.76)
Finance cost	652.92	427.78
	<b>4,469.11</b>	<b>2,412.18</b>
<i>Less:</i>		
Government grant income	1.26	1.26
Interest income	129.48	81.39
Profit on sale of assets	5.14	0.08
Provisions no longer required written back	80.70	-
	<b>216.58</b>	<b>82.73</b>
<b>Operating Profit before working capital changes</b>	<b>15,211.77</b>	<b>6,463.85</b>
<i>Working Capital Adjustments</i>		
(Increase) / Decrease in Trade and Other Receivables	(11,048.81)	(7,921.22)
(Increase) / Decrease in Inventories	(2,808.06)	(11,804.06)
Increase / ( Decrease ) in Trade and other Payables	3,123.16	18,425.09
Increase / ( Decrease ) in Provisions	25.08	20.91
	<b>(10,708.63)</b>	<b>(1,279.28)</b>
<b>Net Cash generated from operations</b>	<b>4,503.14</b>	<b>5,184.57</b>
Direct taxes paid (Net of refunds received if any)	(1,779.24)	(1,400.23)
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	<b>2,723.90</b>	<b>3,784.34</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sale of Property, Plant and Equipment	5.70	0.93
Interest received	116.27	77.06
Purchase of Property, Plant and Equipment	(2,453.54)	(1,891.11)
(Investment in) /Disposal of fixed deposits (net)	(84.02)	(61.27)
<b>NET CASH OUTFLOW FROM INVESTING ACTIVITIES</b>	<b>(2,415.59)</b>	<b>(1,874.39)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of Borrowings (Net)	(1,437.50)	(923.88)
Interest paid (finance cost)	(528.67)	(372.46)
Principal element of lease payment	(133.84)	(129.01)
<b>NET CASH OUTFLOW FROM FINANCING ACTIVITY</b>	<b>(2,100.01)</b>	<b>(1,425.35)</b>
Net increase / (decrease) in cash and cash equivalents	(1,791.70)	484.60
Opening Cash and Cash equivalents	858.26	373.66
Add: Cash credit closing balance	1,172.97	-
<b>Closing Cash and Cash equivalents</b>	<b>239.53</b>	<b>858.26</b>





**Notes :**

- 3 The above results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on May 24, 2023. The Statutory auditors of the Company have carried out an audit of the results for the year ended March 31, 2023.
- 4 The financial results has been prepared in accordance with Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 (the Act), as applicable and guidelines issued by the Securities and Exchange Board of India (SEBI).
- 5 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.
- 6 Other expenses includes exchange gain/ (loss) as mentioned below.

Particulars	Quarter Ended			Year Ended	Year Ended
	Mar 31, 2023	Dec 31, 2022	Mar 31, 2022	Mar 31, 2023	March 31, 2022
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
Foreign exchange gain/ (loss)	156.42	(317.76)	(467.68)	(2,810.83)	(765.53)

- 7 As at March 31, 2023, the company has certain foreign currency trade payables aggregating to Rs.5,379.15 lakhs which are payable to other group companies situated outside India towards goods purchased and certain foreign currency trade receivables aggregating to Rs.302.11 lakhs. These balances are pending for settlement or realisation beyond the time period stipulated as per the FED Master Direction No. 17/2016-17, dated January 01, 2016 (as amended) issued by Reserve Bank of India (RBI) and FED Master Direction No. 16/2015-16 dated January 1, 2016 (as amended) issued by RBI, respectively. The Company is in the process of regularising aforesaid delays for making necessary statutory compliances in respect of aforesaid dues. Pending conclusion of the aforesaid matters, the management believes that the impact, if any, is not ascertainable but expected not to be material to the financial results. Therefore, no adjustments is required to be made in the financial results.
- 8 During the previous year (i.e. year ended March 31, 2022), the Company recorded a write down of Rs. 2,324.95 lakhs, to reflect the net realizable value of inventories as at March 31, 2022. This write down was mainly due to sharp reduction in the market prices of masks and gloves. The aforesaid reduction in these prices in a short period of time is disclosed as an exceptional item considering its nature and size.
- 9 During the year, the management of the Company had decided to sell land at Pudukottai, Tamil Nadu, and management is in the process of holding discussions with interested parties. Accordingly, same has been disclosed as asset held for sale under current asset as on March, 31 2023.
- 10 Previous period's figures have been regrouped / reclassified wherever necessary to correspond with the current period's classification / disclosure.

Place : Pune  
Date : May 24, 2023

For Kingfa Science & Technology (India) Limited



D. BALAJI  
Whole Time Director  
DIN: 0008256342



## INDEPENDENT AUDITORS' REPORT

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

#### Report on the audit of the Financial Results

##### Opinion

We have audited the accompanying quarterly and annual financial results of Kingfa Science & Technology (India) Limited (the Company) for the quarter ended March 31, 2023 and the year to date results for the period from April 1, 2022 to March 31, 2023, 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 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, 2023 as well as the year to date results for the period from April 1, 2022 to March 31, 2023.

##### 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 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 7 to the financial results regarding delay in settlement or realisation of certain trade payable and trade receivable balances, as the case may be, denominated in foreign currency which are due to/from group companies. As informed by management, the Company is in the process of regularising these delays for making necessary compliances in respect of aforesaid dues and it believes that impact, if any, is not expected to be material to the financial results. Our opinion is not modified in respect of this matter.





### **Management's Responsibilities for the Financial Results**

These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim 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 financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 Financial Results**

Our objectives are to obtain reasonable assurance about whether the 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 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 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.



## **P G BHAGWAT LLP**

Chartered Accountants  
LLPIN: AAT-9949

- 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 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 financial results for the period ended March 31, 2023 are the derived figures between the audited figures in respect of the year ended March 31, 2023 and the published year-to-date figures up to December 31, 2022, 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 P G BHAGWAT LLP**

Chartered Accountants

Firm Registration Number: 101118W/W100682

*AP Shetye*

Abhijit Shetye

Partner

Membership Number: 151638

UDIN: 23151638BGQGES3401

Pune

May 24, 2023





**Declaration w.r.t Audit Report with unmodified opinion on Audited Financial Results (Standalone) of the Company for the fourth quarter and year ended March 31, 2023**

I, CHEN XIAOQIONG, Chief Financial Officer of Kingfa Science & Technology (India) Limited having its registered office at Dhun Building, III Floor, 827, Anna Salai, Chennai - 600002, India, hereby declare that M/s. P G Bhagwat LLP, Chartered Accountants, Statutory Auditors of the Company has issued an Audit Report with Unmodified opinion on Audited Financial Results (Standalone) of the Company for the fourth quarter and year ended March 31, 2023.

This declaration is given pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and SEBI Circular No. CIR/CFD/CMD/56/2016 dated May 27, 2016.

Thanking you,

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

  
(CHEN XIAOQIONG)  
Chief Financial Officer



Date : May 24, 2023