

# K.C.P. SUGAR AND INDUSTRIES CORPORATION LTD.

Regd. Office : "Ramakrishna Buildings", Post Box No. 727, No.239, (Old No.183), Anna Salai, Chennai - 600 006.  
Ph : 044 2855 5171 to 5176 Fax : 044 2854 6617 E-mail : hr@kcpsugar.com, finance@kcpsugar.com  
CIN - L15421TN1995PLC033198

Ref : KSICL/STK.EX./2019-2020

23.07.2020

**THE VICE PRESIDENT  
CAPITAL MARKET ( OPERATIONS )  
THE NATIONAL STOCK EXCHANGE  
OF INDIA LIMITED**

Exchange Plaza, 5<sup>th</sup> floor  
Plot No.C/1, G Block  
Bandra-Kurla Complex, Bandra (E)  
**Mumbai 400 051.**

**MANAGER  
CORPORATE RELATIONSHIP  
DEPT OF CORP.SERVICES  
BOMBAY STOCK EXCHANGE LTD.**

Floor 25, P.J.Towers  
Dalal Street  
**Mumbai 400001.**

**KCPSUGIND -EQ**

**Scrip ID : KCPSUGIND  
Scrip code : 533192**

Dear Sir,

**Sub:** Business transacted at the Board Meeting held on 23.07.2020

In continuation to our letter dt.14.07.2020 we wish to state that the Board Meeting held on 23.07.2020 has transacted, among other business, the following:

**1. Approval of Annual Financial Statements:**

The Board of Directors has approved the Audited Standalone and Consolidated Financial Statements for the financial year ended 31.03.2020

**2. 25<sup>th</sup> Annual General Meeting:**

The Board of Directors decided to hold the 25<sup>th</sup> Annual General Meeting on 25<sup>th</sup> September 2020.

**3. Dividend :**

The Directors of the Board have recommended a dividend of Re.0.10 (paise) per equity share of Rs.1/- each for the financial year 2019-2020 subject to approval of shareholders at the ensuing 25<sup>th</sup> AGM. The Dividend, if approved by the Members at 25<sup>th</sup> Annual General Meeting to be held on 25<sup>th</sup> September will be paid within the stipulated time.

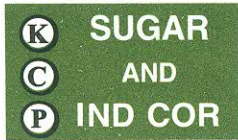
**4. Compliance of Clause 33 :**

In deference to Clause 33 of the Listing Regulations, we are sending herewith the following:

...2

◇ Leading Manufacturers of Premium Grade Sugars, Rectified Spirit, Anhydrous Alcohol, Extraneutral Alcohol, Co2, Calcium Lactate, Bio-Fertilizers, Bio-Compost and Mycorrhiza Inoculum.

Factories at - Vuyyuru, Krishna Dist., A.P. - 521 165. Tel : 08676 232001/02 Fax : 08676 232640  
- Lakshmipuram, Krishna Dist., A.P. - 521 131. Tel : 08671 222046 Fax : 08671 222640



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## K.C.P SUGAR AND INDUSTRIES CORPORATION LIMITED

...2...

- (i) Audited Financial Results for the quarter and year ended 31.03.2020, approved by the Board of Directors and signed by the Managing Director (including segment wise results and Statement of Assets and Liabilities) (Annex-1).
- (ii) Extract of Financial Results to be published (Annex-2)
- (iii) Auditors' Report on Annual Financial Results (Annex-3)
- (iv) Declaration on Auditors' Report with 'Unmodified opinion' (Annex-4)

### 5. Notice of AGM :

The Directors of the Board have approved the Notice of 25<sup>th</sup> Annual General Meeting of the Company to be held on 25.09.2020.

### 6. Book Closure :

Pursuant to Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from Friday, the 17<sup>th</sup> September 2020 to Friday 25<sup>th</sup> September 2020 (both days inclusive) for the purpose of 25<sup>th</sup> AGM and for the purpose of dividend. The dividend, if approved by the shareholders at the ensuing 25<sup>th</sup> Annual General Meeting scheduled on 25.09.2020 within the stipulated time.

### 7. Cut-off Date for e-Voting :

Cut-off date of e-Voting is 18<sup>th</sup> September, 2019

8. The Board is initiating action for appointment of one Woman Independent Director on the Board pursuant to Company being included in the list of Top 1000 Companies by NSE as on 31.03.2020.
9. In accordance with Regulation 33(3) (d) of SEBI (LODR) Regulations, 2015 we hereby confirm and declare that the Statutory Auditors of the Company M/s Suri & Siva, Chartered Accountant (FRN 004284S) have issued the Audited Report with Unmodified Opinion in respect of Annual Financial Results (Standalone & Consolidated) for the quarter and year ended 31.03.2020.

The Board Meeting commenced at 3.30 p.m. and concluded at 6.40 p.m.

Please take the above on record.

Thanking you

Yours faithfully,  
For K.C.P. SUGAR AND INDUSTRIES CORPORATION LTD.

  
S CHIDAMBARAM  
COMPANY SECRETARY

◇ Leading Manufacturers of Premium Grade Sugars, Rectified Spirit, Anhydrous Alcohol, Extraneutral Alcohol, Co2, Calcium Lactate, Bio-Fertilizers, Bio-Compost and Mycorrhiza Inoculum.

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**K.C.P.SUGAR AND INDUSTRIES CORPORATION LIMITED**  
**REGD OFFICE : "RAMAKRISHNA BUILDINGS", NO.239,ANNA SALAI, CHENNAI 600 006**  
**CIN: L15421TN1995PLC033198**

Audited Standalone and Consolidated Financial Results for the Quarter and Year ended 31.03.2020 pursuant to Regulation 33 of SEBI (LODR) Regulations, 2015.

		STANDALONE					CONSOLIDATED					Rs. In Lakhs
SL NO	PARTICULARS	Quarter ended			Year ended		Quarter ended			Year ended		
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019	
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)	
I	Revenue from Operations:	8210.16	9482.48	10123.83	35453.62	31783.39	9034.89	10452.90	10488.00	39262.31	35943.83	
II	Other Income	-128.11	983.80	-50.37	1123.75	1276.71	-66.87	1018.95	60.51	1385.23	1563.29	
III	Total Income (I + II)	8082.05	10466.28	10073.46	36577.37	33060.10	8968.02	11471.85	10548.50	40647.54	37507.12	
IV	Expenses											
	Cost of Materials consumed	17558.01	5376.82	26132.25	25404.22	35973.18	17842.62	5956.06	26364.03	27111.10	37385.67	
	Purchase of stock-in-trade	0.00	-	-	77.95	-	-	-	-	77.95	-	
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	-12053.27	2528.12	-22982.30	3209.28	-16224.88	-12003.68	2594.88	-23098.76	3359.80	-15991.05	
	Employee Benefits Expense	1630.35	1000.33	2280.11	3054.19	3611.26	1777.60	1155.95	2504.54	3640.36	4257.73	
	Finance Costs	541.95	548.66	593.68	2148.91	1863.78	548.96	555.19	594.86	2185.88	1976.40	
	Depreciation and amortisation expenses	377.99	221.31	480.28	739.49	827.39	400.78	237.65	490.80	803.59	869.64	
	Other Expenses	2321.25	692.70	1322.18	3672.23	4453.30	2541.41	904.86	1408.04	4544.27	5615.05	
	Total Expenses	10376.28	10367.94	7826.20	38306.27	30504.03	11107.69	11404.59	8263.51	41722.95	34113.44	
V	Profit / (Loss) before Exceptional Items & Tax (III - IV)	-2294.23	98.34	2247.26	-1728.90	2556.07	-2139.67	67.26	2284.99	-1075.41	3393.68	
VI	Exceptional Items	-	-	-	-	-	-	-	-	-	-	
VII	Profit / (Loss) before Tax (V - VI)	-2294.23	98.34	2247.26	-1728.90	2556.07	-2139.67	67.26	2284.99	-1075.41	3393.68	
VIII	Tax Expense											
	Current Tax	0.00	-100.00	510.00	0.00	510.00	43.70	-105.64	527.47	185.00	745.00	
	Deferred Tax	-90.87	-165.88	-95.52	-404.30	1026.13	-105.17	-165.88	-104.33	-418.60	1023.56	
	Reversal of excess provision for taxation relating to earlier years	-209.53	-	-	-209.53	-	-215.72	-	-	-215.72	-6.24	
IX	Profit / (Loss) for the period from continuing Operations (VII - VIII)	-1993.83	364.22	1832.78	-1115.07	1019.94	-1862.48	338.78	1861.85	-626.09	1631.36	
X	Profit / (Loss) from Discontinued Operations	-	-	-	-	-	-	-	-	-	-	
XI	Tax Expense of Discontinued operations	-	-	-	-	-	-	-	-	-	-	
XII	Profit / (Loss) from Discontinued Operations after Tax (X - XI)	-	-	-	-	-	-	-	-	-	-	
XIII	Profit / (Loss) for the period (IX + XII)	-1993.83	364.22	1832.78	-1115.07	1019.94	-1862.48	338.78	1861.85	-626.09	1631.36	
XIV	Other Comprehensive Income											
	Items that will not be reclassified to Profit / (Loss)											
	(i) Remeasurement of defined benefit plan - Actuarial gains / (Losses)	22.98	-	53.14	22.98	53.14	18.19	-	63.62	18.19	63.62	
	(ii) Income Tax relating on above	-6.69	-	(18.57)	(6.69)	-18.57	-5.48	-	-21.59	(5.48)	(21.59)	
	(iii) Equity instruments through other comprehensive income	-	-	-	-	-	-74.38	23.11	23.31	(37.66)	(5.97)	
	Other Comprehensive Income-Total	16.29	-	34.57	16.29	34.57	(61.67)	23.11	65.34	(24.95)	36.06	
XV	Total comprehensive income (comprising profit and other comprehensive income for the period)	-1977.54	364.22	1867.35	-1098.78	1054.51	-1924.15	361.89	1927.19	-651.04	1667.41	
XVI	Paid up Equity Share Capital (Face Value Re.1/-)	1133.85	1133.85	1133.85	1133.85	1133.85	1133.85	1133.85	1133.85	1133.85	1133.85	
XVII	Other Equity excl. revaluation reserves as at previous balance sheet date	-	-	-	-	-	-	-	-	-	-	
XVIII	Earnings per Share (EPS)											
	(a) Basic and diluted EPS before Extraordinary items for the period, for the year to-date and for the previous year (not to be annualized)	-1.74	0.32	1.65	-0.97	0.93	-1.70	0.32	1.70	-0.57	1.47	
	(b) Basic and diluted EPS after Extraordinary items for the period, for the year to-date and for the previous year (not to be annualized)	-1.74	0.32	1.65	-0.97	0.93	-1.70	0.32	1.70	-0.57	1.47	

*Jai Telegopu*

**K.C.P.SUGAR AND INDUSTRIES CORPORATION LIMITED**  
REGD OFFICE : "RAMAKRISHNA BUILDINGS"  
NO.239,ANNA SALAI, CHENNAI 600 006

**AUDITED STANDALONE AND CONSOLIDATED QUARTER AND YEAR REPORTING OF SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED PURSUANT TO REGULATION 33 OF SEBI (LODR) REGULATIONS,2015.**

Rs. In Lakhs

SL NO	PARTICULARS	STANDALONE					CONSOLIDATED				
		Quarter ended			Year ended		Quarter ended			Year ended	
		31.03.2020 (Audited)	31.12.2019 (Unaudited)	31.03.2019 (Audited)	31.03.2020 (Audited)	31.03.2019 (Audited)	31.03.2020 (Audited)	31.12.2019 (Unaudited)	31.03.2019 (Audited)	31.03.2020 (Audited)	31.03.2019 (Audited)
<b>1</b>	<b>SEGMENT WISE REVENUE</b>										
	a) Sugar	9764.11	9500.91	11024.58	35991.04	31488.97	9764.11	9500.91	11024.58	35991.04	31488.97
	b) Chemicals	1419.98	1055.46	2435.22	5450.40	6324.87	1419.98	1055.46	2435.22	5450.40	6324.87
	c) Power & Fuel	2522.65	738.24	3738.39	3780.11	5200.81	2522.65	738.24	3738.39	3780.11	5200.81
	d) Engineering	0.00	0.00	0.00	0.00	0.00	822.96	963.26	362.63	3794.88	4142.92
	e) Others	113.32	138.90	138.93	548.62	573.12	115.09	144.60	138.85	562.43	590.65
	f) Unallocated	0.80	0.00	0.25	2.26	1.88	0.80	1.46	1.88	2.26	1.88
	<b>TOTAL</b>	<b>13820.86</b>	<b>11433.51</b>	<b>17337.37</b>	<b>45772.43</b>	<b>43589.65</b>	<b>14645.59</b>	<b>12403.93</b>	<b>17701.54</b>	<b>49581.12</b>	<b>47750.09</b>
	Less: Inter Segment Revenue	5610.70	1951.03	7213.54	10318.81	11806.26	5610.70	1951.03	7213.54	10318.81	11806.26
	<b>Sales / Income from Operations</b>	<b>8210.16</b>	<b>9482.48</b>	<b>10123.83</b>	<b>35453.62</b>	<b>31783.39</b>	<b>9034.89</b>	<b>10452.90</b>	<b>10488.00</b>	<b>39262.31</b>	<b>35943.83</b>
<b>2</b>	<b>SEGMENT RESULT - PROFIT / LOSS BEFORE TAX AND INTEREST FROM EACH SEGMENT</b>										
	a) Sugar	-487.71	-326.72	906.11	-50.69	2772.67	-487.71	-326.72	903.33	-50.69	2769.89
	b) Chemicals	-108.88	105.31	635.73	702.07	1368.32	-108.88	105.31	635.01	702.07	1367.60
	c) Power & Fuel	424.64	41.37	690.15	587.54	845.02	424.64	41.37	690.11	587.54	844.98
	d) Engineering	0.00	0.00	0.00	0.00	0.00	163.08	-25.27	43.36	689.42	952.93
	e) Others	81.05	72.61	60.44	332.07	307.03	83.14	73.33	59.52	336.71	307.86
	<b>Sub Total</b>	<b>-90.90</b>	<b>-107.43</b>	<b>2292.43</b>	<b>1570.99</b>	<b>5293.04</b>	<b>74.28</b>	<b>-131.98</b>	<b>2331.33</b>	<b>2265.06</b>	<b>6243.26</b>
	Less: (1) Finance Cost	541.95	548.66	593.68	2148.91	1863.78	548.96	555.19	594.86	2185.88	1976.40
	(2) Other un-allocable expenditure net off unallocable Income	1661.38	-754.43	-548.51	1150.98	873.19	1664.99	-754.43	-548.51	1154.59	873.18
	<b>Sub Total</b>	<b>2203.33</b>	<b>-205.77</b>	<b>45.17</b>	<b>3299.89</b>	<b>2736.97</b>	<b>2213.95</b>	<b>-199.24</b>	<b>46.35</b>	<b>3340.47</b>	<b>2849.58</b>
	<b>Total Profit Before Tax</b>	<b>-2294.23</b>	<b>98.34</b>	<b>2247.26</b>	<b>-1728.90</b>	<b>2556.07</b>	<b>-2139.67</b>	<b>67.26</b>	<b>2284.99</b>	<b>-1075.41</b>	<b>3393.68</b>
	<b>Tax</b>	<b>-300.40</b>	<b>-265.88</b>	<b>414.48</b>	<b>-613.83</b>	<b>1536.13</b>	<b>-277.19</b>	<b>-271.52</b>	<b>423.14</b>	<b>-449.32</b>	<b>1762.32</b>
	<b>Profit After Tax</b>	<b>-1993.83</b>	<b>364.22</b>	<b>1832.78</b>	<b>-1115.07</b>	<b>1019.94</b>	<b>-1862.48</b>	<b>338.78</b>	<b>1861.85</b>	<b>-626.09</b>	<b>1631.36</b>
<b>3</b>	<b>Segment Assets</b>										
	a) Sugar	41927.43	31464.31	44570.97	41927.43	44570.97	41927.43	31464.31	44570.97	41927.43	44570.97
	b) Chemicals	2377.25	1966.28	1889.17	2377.25	1889.17	2377.25	1966.28	1889.17	2377.25	1889.17
	c) Power & Fuel	2214.22	2405.04	2212.83	2214.22	2212.83	2214.22	2405.04	2212.83	2214.22	2212.83
	d) Engineering	0.00	0.00	0.00	0.00	0.00	5300.72	5285.27	4725.34	5300.72	4725.34
	e) Others	280.11	286.57	301.24	280.11	301.24	694.73	774.24	748.88	694.73	748.88
	f) Unallocated	15299.80	16990.28	15249.29	15299.80	15249.29	15014.80	16705.28	14964.29	15014.80	14964.29
	<b>Total</b>	<b>62098.81</b>	<b>53112.48</b>	<b>64223.50</b>	<b>62098.81</b>	<b>64223.50</b>	<b>67529.15</b>	<b>58600.42</b>	<b>69111.48</b>	<b>67529.15</b>	<b>69111.48</b>
	<b>Segment Liabilities</b>										
	a) Sugar	28867.18	17714.85	29234.54	28867.18	29234.54	28867.18	17714.85	29234.54	28867.18	29234.54
	b) Chemicals	242.40	264.56	275.08	242.40	275.08	242.40	264.56	275.08	242.40	275.08
	c) Power & Fuel	34.74	55.05	51.00	34.74	51.00	34.74	55.05	51.00	34.74	51.00
	d) Engineering	0.00	0.00	0.00	0.00	0.00	1696.53	1806.76	1601.90	1696.53	1601.90
	e) Others	35.33	72.45	65.13	35.33	65.13	35.48	73.35	65.28	35.48	65.28
	f) Unallocated	7730.76	7839.63	8173.87	7730.76	8173.87	7730.76	7839.63	8173.87	7730.76	8173.87
	<b>Total</b>	<b>36910.41</b>	<b>25946.54</b>	<b>37799.62</b>	<b>36910.41</b>	<b>37799.62</b>	<b>38607.09</b>	<b>27754.20</b>	<b>39401.67</b>	<b>38607.09</b>	<b>39401.67</b>
<b>4</b>	<b>CAPITAL EMPLOYED (Segment Assets - Liabilities)</b>										
	a) Sugar	13060.25	13749.46	15336.42	13060.25	15336.42	13060.25	13749.46	15336.42	13060.25	15336.42
	b) Chemicals	2134.85	1701.72	1614.08	2134.85	1614.08	2134.85	1701.72	1614.08	2134.85	1614.08
	c) Power & Fuel	2179.48	2349.99	2161.84	2179.48	2161.84	2179.48	2349.99	2161.84	2179.48	2161.84
	d) Engineering	0.00	0.00	0.00	0.00	0.00	3604.19	3478.51	3123.44	3604.19	3123.44
	e) Others	244.78	214.12	236.11	244.78	236.11	659.25	700.89	683.60	659.25	683.60
	f) Unallocated	7569.04	9150.65	7075.42	7569.04	7075.42	7284.04	8865.65	6790.42	7284.04	6790.42
	<b>Total Capital Employed in Segments</b>	<b>25188.40</b>	<b>27165.94</b>	<b>26423.88</b>	<b>25188.40</b>	<b>26423.88</b>	<b>28922.06</b>	<b>30846.22</b>	<b>29709.81</b>	<b>28922.06</b>	<b>29709.81</b>

Note:

- The above statement has been prepared to the extent applicable, in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under section 133 of the Companies Act, 2013 and other recognised Accounting Practices and Policies adopted by the Company w.e.f. 01.04.2017.
- The Statutory Auditors of the Company verified the above Standalone and Consolidated Financial Results for the Quarter and Year ended 31.03.2020 and their report were placed before the Board
- The above audited Standalone and Consolidated Financial Results were reviewed by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on 23<sup>rd</sup> July 2020

// BY ORDER OF THE BOARD //

*IRMIGARD VELAGAPUDI M.RAO*

**IRMIGARD VELAGAPUDI M.RAO**  
MANAGING DIRECTOR

Place: Chennai  
Date: 23-07-2020

**K.C.P. Sugar and Industries Corporation Ltd**

Audited Standalone and Consolidated Balance Sheet as at 31.03.2020 and 31.03.2019  
pursuant to Regulation 33 of SEBI (LODR) Regulations, 2015.

Rs Lakhs

Particulars	STANDALONE		CONSOLIDATED	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
<b>ASSETS</b>				
<b>Non-current assets</b>				
(a) Property, plant and equipment	8478.94	9121.94	9172.53	9832.00
(b) Capital work-in-progress	108.26	-	108.26	1.91
(c) Intangible assets	11.30	49.20	58.18	77.94
(d) Financial assets				
(i) Investments	6995.45	8153.69	7493.79	8664.65
(ii) Loans	40.53	39.93	46.38	45.80
(e) Deferred tax assets, (net)	-	-	-	-
(f) Other non current assets	433.65	412.94	463.96	440.94
<b>Current assets</b>				
(a) Inventories	33643.46	36913.00	34466.66	37868.78
(b) Financial Assets				
(i) Investments	5695.55	5503.05	6643.08	6154.08
(ii) Trade receivables	2397.58	2053.79	3711.96	2843.28
(iii) Cash and cash equivalents	535.62	223.95	892.86	639.49
(iv) Bank Balances other than (iii) above	778.78	909.11	1036.01	1130.35
(v) Other financial assets	2043.03	541.62	2043.03	541.62
(c) Other current assets	1042.74	955.52	1455.07	1496.93
<b>Total Assets</b>	<b>62204.89</b>	<b>64877.73</b>	<b>67591.77</b>	<b>69737.77</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share capital	1133.85	1133.85	1133.85	1133.85
(b) Other equity	24054.55	25290.03	27788.21	28575.96
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	7431.97	4134.13	7431.97	4134.13
(ii) Other Financial liabilities	74.65	113.36	74.65	113.36
(b) Provisions	491.84	500.99	960.83	840.67
(c) Deferred tax liabilities (net)	311.29	708.89	267.84	680.95
<b>Current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	15180.39	15227.66	15180.39	15227.66
(ii) Trade payables				
a) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	6098.33	13221.69	6671.92	13530.58
(iii) Other financial liabilities	7039.85	3630.83	7074.80	3740.42
(b) Other current liabilities	265.21	384.64	664.63	943.25
(c) Provisions	122.96	125.25	251.38	254.74
(d) Current Tax Liabilities (Net)	-	406.41	91.30	562.20
<b>Total Equity and Liabilities</b>	<b>62204.89</b>	<b>64877.73</b>	<b>67591.77</b>	<b>69737.77</b>

*For Yelapuri*

## K.C.P.Sugar and Industries Corporation Ltd

**Audited Standalone and Consolidated Cash Flow as at 31.03.2020 and 31.03.2019  
pursuant to Regulation 33 of SEBI (LODR) Regulations, 2015.**

### CASH FLOW-STANDALONE

Rs -Lakhs

Sl.No	Particulars	For Year Ended March 31, 2020	For Year Ended March 31, 2019
1	Cash flows from Operating activities	-901.75	-5,099.74
2	Cash flow from Investing activities	248.44	3,353.86
3	Cash flows from financing activities	964.98	1,739.23
4	Net increase/(decrease) in cash and cash equivalents	311.67	-6.64
5	Cash and cash equivalents at beginning of period	223.95	230.59
6	Cash and cash equivalents at end of period	535.62	223.95

### CASH FLOW-CONSOLIDATION

Sl.No	Particulars	For Year Ended March 31, 2020	For Year Ended March 31, 2019
1	Cash flows from Operating activities	2,399.91	-5,208.68
2	Cash flow from Investing activities	186.33	2,911.62
3	Cash flows from financing activities	-2,332.87	1,739.23
4	Net increase/(decrease) in cash and cash equivalents	253.37	-557.83
5	Cash and cash equivalents at beginning of period	639.49	1,197.32
6	Cash and cash equivalents at end of period	892.86	639.49

*Tal Vellayapathi*

**K.C.P.SUGAR AND INDUSTRIES CORPORATION LIMITED**  
**REGD OFFICE : "RAMAKRISHNA BUILDINGS", No.239, ANNA SALAI, CHENNAI 600006.**  
**CIN: L15421TN1995PLC033198**

Telephone: 044-2855171-176 / Fax: 044-28546617 / E-mail: investorservices@kcpsugar.com / website: www.kcpsugar.com  
 Extract of the Standalone and Consolidated Audited Financial Results for the Quarter and Year ended 31.03.2020 pursuant to Regulation 47 of SEBI (LODR) Regulations, 2015.  
 (Rs.in Lakhs except per share data)

SL NO	PARTICULARS	STANDALONE						CONSOLIDATED					
		Quarter ended		Year ended		Quarter ended		Year ended		Quarter ended		Year ended	
		31.03.2020 (Audited)	31.12.2019 (Unaudited)	31.03.2019 (Audited)	31.03.2020 (Audited)	31.03.2020 (Audited)	31.12.2019 (Unaudited)	31.03.2019 (Audited)	31.03.2020 (Audited)	31.03.2019 (Audited)	31.03.2020 (Audited)	31.03.2019 (Audited)	31.03.2020 (Audited)
1	Total Income from operations	8082.05	10466.28	10073.46	36577.37	33060.10	8968.02	11471.85	10548.50	40647.54	37507.12		
2	Net Profit / (Loss) for the period (before Tax, Exceptional and / or Extraordinary items)	-2294.23	98.34	2247.26	-1728.90	2556.07	-2139.67	67.26	2284.99	-1075.41	3393.68		
3	Net Profit / (Loss) for the period before tax (after Exceptional and / or Extraordinary items)	-2294.23	98.34	2247.26	-1728.90	2556.07	-2139.67	67.26	2284.99	-1075.41	3393.68		
4	Net Profit / (Loss) for the period after tax (after Exceptional and / or Extraordinary items)	-1993.83	364.22	1832.78	-1115.07	1019.94	-1862.48	338.78	1861.85	-626.09	1631.36		
5	Other Comprehensive Income	16.29	-	34.57	16.29	34.57	(61.67)	23.11	65.34	(24.95)	36.05		
6	Total Comprehensive Income for the period [comprising Profit / (Loss) for the period (after tax) and other Comprehensive Income (after tax)]	-1977.54	364.22	1867.35	-1098.78	1054.51	-1924.15	361.89	1927.19	-651.04	1667.41		
7	Equity Share Capital (F.V. Re.1/- per share)	1133.85	1133.85	1133.85	1133.85	1133.85	1133.85	1133.85	1133.85	1133.85	1133.85		
8	Earnings per share (of Re.1/- each)	-1.74	0.32	1.65	-0.97	0.93	-1.70	0.32	1.70	-0.57	1.47		
	- Basic (Rs.)	-1.74	0.32	1.65	-0.97	0.93	-1.70	0.32	1.70	-0.57	1.47		
	- Diluted (Rs.)	-1.74	0.32	1.65	-0.97	0.93	-1.70	0.32	1.70	-0.57	1.47		

Note:

- The above statement has been prepared to the extent applicable, in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS), prescribed under Section 133 of the Companies Act, 2013 and other recognised Accounting Practices and Policies adopted by the Company.
- The Statutory Auditors of the Company verified the above Standalone and Consolidated Financial Results for the Quarter and Year ended 31.03.2020 and their report was placed before the Board.
- The above audited Standalone and Consolidated Financial Results were reviewed by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on 23<sup>rd</sup> July 2020.
- The above is an extract of the detailed format of Quarterly and yearly audited Standalone and Consolidated Financial Results, filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
- The full format of the Quarterly and yearly audited Standalone and Consolidated Financial Results are available on the Stock Exchange web sites (www.nseindia.com and www.bseindia.com) and on the Company's website : www.kcpsugar.com

// By Order of the Board //

  
**IRMGARD VELAGAPUDI M.RAO**  
**MANAGING DIRECTOR**

Place: Chennai  
 Date: 23.07.2020

## INDEPENDENT AUDITOR'S REPORT

To the members of K.C.P Sugar and Industries Corporation Limited

Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the standalone financial statements of **K.C.P Sugar and Industries Corporation Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including the statement of Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under sec 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its Loss (financial performance including other comprehensive Income), its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

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



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## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our audit report:

SL No	Key Audit Matters	Substantive Audit Procedures
1	<b>Evaluation of Uncertain Tax Positions:</b> The Company has material uncertain tax positions including matters under disputes. These involve significant management judgment to determine the possible outcome of uncertain tax positions, consequently having an impact on related accounting and disclosures in the standalone financial statements. (Refer Note 43 to the standalone financial statements)	Our audit procedures include the following substantive audit procedures: <ul style="list-style-type: none"><li>• Obtained understanding of key uncertain tax positions.</li><li>• Obtained details of completed tax assessments and demands for the year ended march 31, 2020 from management.</li><li>• Read and analyzed select key correspondences, external legal opinions and consultations by management for key uncertain tax positions.</li><li>• Discussed with appropriate Senior management and evaluated management's key underlying key assumptions in estimating the tax provisions; and</li><li>• Assessed management's estimate of the possible outcome of the disputed cases.</li></ul>

## Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



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In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income / loss, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements 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 statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:



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- Identify and assess the risks of material misstatement of the financial statements, 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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 management.
- Conclude on the appropriateness of management's 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 standalone financial statements 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 statements, including the disclosures, and whether the standalone financial statements 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.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.



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2. As required by section 143 (3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, Statement of Profit and Loss, (including the statement of Other Comprehensive Income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under section 133 of the Act.
  - (e) On the basis of written representations received from the directors as on March 31, 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, from being appointed as a director in terms of section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
    - i. The managerial remuneration of Rs 60.37, 640/- paid to the Managing Director and the chairman is the minimum remuneration for the fourth financial year during their tenure of office. The schedule V of the Companies Act restricts the payment of minimum remuneration only for a period of 3 years in the absence of adequate profits. However, the company has been advised that the managerial remuneration is in compliance with schedule V of the companies Act 2013, subject to approval by the shareholders in its general meeting. (Refer note 52 to the financial statements.)



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(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- ii. The Company does not have any pending litigations which would impact its financial position in its financial position. **Refer Note no 43** to the financial statements.
- iii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iv. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Suri & Siva  
Chartered Accountants  
Firm Registration Number: 004284S



V.SIVAKUMAR

Partner

Membership number: 022379

UDIN: 20022379AAAATB4285

Place: Chennai

Date: 23.07.2020



**ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of K.C.P. SUGAR AND INDUSTRIES CORPORATION LIMITED of even date)

- (i) (a) the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets,
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets,
- (c) according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company, except in respect of certain immovable properties (land and buildings), which have been transferred to the Company as per a scheme of demerger are in the name of the erstwhile demerged company.
- (ii) The Management has conducted physical verification of Inventory at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) According to the information and explanations given to us, the company has not granted any loans, Secured or unsecured to the Companies, Firms and other parties covered in the register maintained under Section 189 of the Companies Act, 2013 and hence clause iii(a),iii(b) and iii (c) of the order are not applicable to the company for the year.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.



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(v) In respect of deposits accepted, in our opinion and according to the information and explanations given to us, directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under, to the extent applicable, have been complied with. We are informed by the management that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal.

(vi) We have broadly reviewed the books of accounts and records maintained by the company pursuant to the Rules made by the Central Government for the maintenance of Cost Records under section 148(1) of the Companies Act, 2013 and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.

(vii) a) According to the information and explanations given to us and on the basis of our examination of the books and records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax,, goods and service tax, duty of customs, cess and other material statutory dues have been regularly deposited during the year by the Company with appropriate authorities.

b) According to the information and explanations given to us, no undisputed amount payable in respect of provident fund, income tax, sales tax, value added tax, goods and service tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at the yearend for a period of more than six months from the date they became payable.

c) According to the information and explanations given to us and the records of the Company examined by us, there are no material dues of Income tax, sales tax, goods and service tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess which have not been deposited on account of any dispute, except the following amounts:

Name of the Statute	Nature of the Dues	Amount (in Rs.)	Period to which the amount relates	Forum where dispute is pending
Andhra Pradesh Value Added Tax Act, 2005	Value Added Tax	37,93,799	April 2009 to June 2017	Sales Tax Appellate Tribunal, Vizag



(viii) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.

(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). The term loans have been applied to the purpose which they were raised.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations give to us and based on our examination of the records of the Company, The managerial remuneration of Rs 60.37, 640/- paid to the Managing Director and the chairman is the minimum remuneration for the fourth financial year during their tenure of office. The Companies Act schedule V restricts the payment of minimum remuneration only for a period of 3 years in the absence of adequate profits. However, the company has been advised that the same is in compliance with schedule v of the companies Act 2013 subject to approval by the shareholders in its general meeting. (Refer note 52 to the financial statements.)

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.





(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Suri & Siva

Chartered Accountants

Firm Registration Number: 004284S



V.SIVAKUMAR

Partner

Membership number: 022379

UDIN: 20022379AAAATB4285



Place: Chennai

Date: 23.07.2020

**ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of K.C.P.SUGAR AND INDUSTRIES CORPORATION LIMITED of even date)

**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of K.C.P. SUGAR AND INDUSTRIES CORPORATION LIMITED ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.



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Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



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## Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Suri & Siva  
Chartered Accountants  
Firm Registration Number: 004284S



V.SIVAKUMAR  
Partner  
Membership number: 022379  
UDIN: 20022379AAAATB4285



Place: Chennai

Date: 23.07.2020

Auditor's Report on the audit of the annual financial results of the group with the last quarter financial results being balancing figures Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

## **INDEPENDENT AUDITOR'S REPORT**

**To the Board of Directors of K.C.P. SUGAR AND INDUSTRIES CORPORATION LIMITED. (Holding Company)**

**Report on the Audit of Consolidated Financial Results**

### **Opinion**

We have audited the accompanying consolidated annual financial results of K.C.P. SUGAR AND INDUSTRIES CORPORATION LIMITED. (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") for the year ended March 31,2020, attached herewith, 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').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial results:

(i) include the annual financial results of the following entities

**1. THE EIMCO-K.C.P LIMITED**

**2. KCP SUGARS AGRICULTURAL RESEARCH FARMS LIMITED**

(ii) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

(iii) give a true and fair view in conformity with the applicable accounting standards, and other accounting principles generally accepted in India, of net loss and other comprehensive income and other financial information of the Group for the year ended 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 ("Act"). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Results* section of our report. We are independent of the Group,



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and its associates and jointly controlled entities 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 Companies Act, 2013 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 obtained by us sufficient and appropriate to provide a basis for our opinion.

### **Board of Directors' Responsibilities for the Consolidated Financial Results**

These Consolidated financial results have been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial results that give a true and fair view of the net profit/ loss and other comprehensive income and other financial information of the Group including its associates and jointly controlled entities in accordance with 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. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities 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 its associates and jointly controlled entities 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 consolidated 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 the 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 and of its associates and jointly controlled entities are responsible for assessing the ability of the Group and its associates and jointly controlled 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 Group 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 and of its associates and jointly controlled entities are responsible for overseeing the financial reporting process of the Group and of its associates and jointly controlled entities.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Results**

Our objectives are to obtain reasonable assurance about whether the consolidated 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



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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 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. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements 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 ability of the Group and its associates and jointly controlled entities 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 and its associates and jointly controlled entities to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group and its associates and jointly controlled entities to express an opinion on the consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated Financial Results, which have been audited by 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.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of



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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.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

#### **Other Matters**

The Financial Results include the results for the quarter ended March 31, 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For Suri & Siva  
Chartered Accountants  
Firm Registration Number: 004284S



V.SIVAKUMAR  
Partner  
Membership number: 022379  
UDIN: 20022379AAAATE8271



Place: Chennai

Date: 23.07.2020



## INDEPENDENT AUDITOR'S REPORT

To the members of K.C.P Sugar and Industries Corporation Limited

Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the standalone financial statements of **K.C.P Sugar and Industries Corporation Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including the statement of Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under sec 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its Loss (financial performance including other comprehensive Income), its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

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



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## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our audit report:

SL No	Key Audit Matters	Substantive Audit Procedures
1	<b>Evaluation of Uncertain Tax Positions:</b> The Company has material uncertain tax positions including matters under disputes. These involve significant management judgment to determine the possible outcome of uncertain tax positions, consequently having an impact on related accounting and disclosures in the standalone financial statements. (Refer Note 43 to the standalone financial statements)	Our audit procedures include the following substantive audit procedures: <ul style="list-style-type: none"><li>• Obtained understanding of key uncertain tax positions.</li><li>• Obtained details of completed tax assessments and demands for the year ended March 31, 2020 from management.</li><li>• Read and analyzed select key correspondences, external legal opinions and consultations by management for key uncertain tax positions.</li><li>• Discussed with appropriate Senior management and evaluated management's key underlying key assumptions in estimating the tax provisions; and</li><li>• Assessed management's estimate of the possible outcome of the disputed cases.</li></ul>

## Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



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In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income / loss, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements 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 statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:



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- Identify and assess the risks of material misstatement of the financial statements, 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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 management.
- Conclude on the appropriateness of management's 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 standalone financial statements 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 statements, including the disclosures, and whether the standalone financial statements 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.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.



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2. As required by section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, Statement of Profit and Loss, (including the statement of Other Comprehensive Income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under section 133 of the Act.
- (e) On the basis of written representations received from the directors as on March 31, 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, from being appointed as a director in terms of section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
  - i. The managerial remuneration of Rs 60.37, 640/- paid to the Managing Director and the chairman is the minimum remuneration for the fourth financial year during their tenure of office. The schedule V of the Companies Act restricts the payment of minimum remuneration only for a period of 3 years in the absence of adequate profits. However, the company has been advised that the managerial remuneration is in compliance with schedule V of the companies Act 2013, subject to approval by the shareholders in its general meeting. (Refer note 52 to the financial statements.)



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(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- ii. The Company does not have any pending litigations which would impact its financial position in its financial position. Refer Note no 43 to the financial statements.
- iii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iv. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Suri & Siva  
Chartered Accountants  
Firm Registration Number: 004284S

**V.SIVAKUMAR**

Partner

Membership number: 022379

UDIN: 20022379AAAATB4285

Place: Chennai

Date: 23.07.2020





# K.C.P. SUGAR AND INDUSTRIES CORPORATION LTD.

**Regd. Office :** "Ramakrishna Buildings", Post Box No. 727, No.239, (Old No.183), Anna Salai, Chennai - 600 006.  
Ph : 044 2855 5171 to 5176 Fax : 044 2854 6617 E-mail : hr@kcpsugar.com. finance@kcpsugar.com  
CIN - L15421TN1995PLC033198

## DECLARATION

In accordance with Regulation 33(3) (d) of SEBI (LODR) Regulations, 2015 we hereby confirm and declare that the Statutory Auditors of the Company M/s Suri & Siva, Chartered Accountant (FRN 004284S) have issued the Audited Report with Unmodified Opinion in respect of Annual Financial Results (Standalone & Consolidated) for the quarter and year ended 31.03.2020.

Thanking you

Yours faithfully,  
for K.C.P. SUGAR AND INDUSTRIES CORPORATION LTD.

  
R GANESAN  
CHIEF FINANCIAL OFFICER

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◇ Leading Manufacturers of Premium Grade Sugars, Rectified Spirit, Anhydrous Alcohol, Extranatural Alcohol, Co2, Calcium Lactate, Bio-Fertilizers, Bio-Compost and Mycorrhiza Inoculum.

Factories at	- Vuyyuru,	Krishna Dist., A.P. - 521 165.	Tel : 08676 232001/02	Fax : 08676 232640
	- Lakshmipuram,	Krishna Dist., A.P. - 521 131.	Tel : 08671 222046	Fax : 08671 222640