



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 : general@kcpsugar.com, finance@kcpsugar.com

CIN - L15421TN1995PLC033198

May 29, 2023

To

BSE Limited
P J Towers,
Dalal Street,
Fort Mumbai-400001
Scrip Code: 533192

National Stock Exchange of India Ltd
"Exchange Plaza", Plot No. C-1, Block G
Bandra – Kurla Complex, Bandra(East),
Mumbai – 400 051
Symbol: KCPSUGIND

Dear Sir/ Madam,

Sub: Outcome of Board Meeting held on 29th May, 2023

Pursuant to Regulation 30 & 33 read with Para A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors have inter-alia approved and taken on record the following at its meeting held today (29/05/2023):

1. Audited Financial Results (Standalone and Consolidated) for the Quarter and Financial Year ended 31/03/2023, Statement of Assets & Liabilities and Statement of Cash Flow for the year ended on March 31st 2023 along with Auditors Report (Standalone and Consolidated) thereon and Declaration in respect of Audit Report (Standalone and Consolidated) with unmodified opinion under Regulation 33(3)(d) of the Listing Regulations are enclosed herewith as **Annexure-I**.
2. The Board of Directors have recommended a final Dividend on Equity Shares at Rs.0.20/- per Equity Share of the Face Value of Rs.1/- each, for the Financial Year 2022-2023 subject to the approval of the Shareholders at the ensuing 28th Annual General Meeting of the Company. The dividend will be paid/ dispatched within 30 days from the date of Annual General Meeting.

The date of the ensuing Annual General Meeting will be intimated to the Stock Exchanges in due course of time.

The Board Meeting commenced at 3.45 PM and concluded at 5.40 PM

Please take on record.

Thanking You,
Yours Truly,

Yours Truly,
For K.C.P.Sugar and Industries Corporation Limited

Aravindkumar V
Company Secretary and Compliance officer

Encl: A/M



◇ 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
Engineering Division - Trichy		Tamil Nadu - 620 015.	Tel : 0431 - 2501201	

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 31.03.2023 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	
		31.03.2023	31.12.2022	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.12.2022	31.03.2022	31.03.2023	31.03.2022
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
I	Revenue From Operations:	5005.98	6727.19	5558.62	22192.53	27087.23	5905.67	7442.65	6542.96	28925.58	31939.62
II	Other Income	(660.32)	4940.34	(656.43)	6485.99	1177.25	(627.36)	5093.33	(567.04)	6778.58	1603.90
III	Total Income (I + II)	4345.66	11667.53	4902.19	28678.52	28264.48	5278.31	12535.98	5975.92	35704.16	33543.52
IV	Expenses										
	Cost Of Materials Consumed	12519.53	5671.67	10814.00	18320.71	15102.36	12992.78	6389.84	11681.34	21290.28	17847.10
	Purchase Of Stock-In-Trade	82.02	-	168.29	243.66	168.29	82.02	-	168.29	243.66	168.29
	Changes In Inventories Of Finished Goods, Work-In-Progress And Stock-In-Trade	(10261.85)	232.55	(8525.14)	(994.40)	5421.70	(10705.60)	317.17	(9127.28)	(1068.43)	4708.39
	Employee Benefits Expense	1691.26	584.22	1528.19	2519.58	2415.64	1997.86	779.45	1787.63	3366.88	3188.56
	Finance Costs	407.09	269.85	498.76	1360.79	1915.63	405.12	291.94	519.78	1429.22	1969.53
	Depreciation and Amortisation Expenses	260.69	125.56	278.23	497.92	475.78	274.28	137.42	297.29	540.94	518.43
	Other Expenses	473.70	730.07	680.84	2496.37	3025.00	994.93	1360.85	1194.42	4678.72	4627.85
	Total Expenses	5172.44	7613.92	5443.17	24444.63	28524.40	6041.39	9276.67	6521.47	30481.27	33028.15
V	Profit / (Loss) Before Exceptional Items & Tax (III - IV)	(826.78)	4053.61	(540.98)	4233.89	(259.92)	(763.08)	3259.31	(545.55)	5222.89	515.37
VI	Exceptional Items	482.65	510.29	-	1,673.15	-	482.65	510.29	-	1,673.15	-
VII	Profit / (Loss) Before Tax (V - VI)	(344.13)	4563.90	(540.98)	5907.04	(259.92)	(280.43)	3769.60	(545.55)	6896.04	515.37
VIII	Tax Expense										
	Current Tax	(367.59)	400.00	-	32.41	-	(341.35)	198.95	59.81	289.24	250.00
	Deferred Tax (Asset) / Liability	903.40	(208.90)	(150.97)	921.15	(86.42)	902.65	(209.90)	(150.22)	916.34	(92.96)
	Reversal Of Excess Provision / Provision For Taxation Relating To Earlier Years	(4.13)	4.13	0.59	-	0.59	5.11	(30.06)	0.59	(24.95)	0.59
IX	Profit / (Loss) For The Period From Continuing Operations (VII - VIII)	(875.81)	4368.67	(390.60)	4953.48	(174.09)	(846.84)	3810.61	(455.73)	5715.41	357.74
X	Profit / (Loss) From Discontinued Operations	-	-	(55.10)	-	-	-	-	(55.10)	-	-
XI	Tax Expense Of Discontinued Operations	-	-	-	-	-	-	-	-	-	-
XII	Profit / (Loss) From Discontinued Operations After Tax (X - XI)	-	-	(55.10)	-	-	-	-	(55.10)	-	-
XIII	Profit / (Loss) For The Period (IX + XII)	(875.81)	4368.67	(445.70)	4953.48	(174.09)	(846.84)	3810.61	(510.83)	5715.41	357.74
XIV	Other Comprehensive Income										
	Items That Will Not Be Reclassified To Profit / (Loss)										
	(i) Remeasurement Of Defined Benefit Plan - Actuarial Gains / (Losses)	(22.33)	-	(26.00)	(22.33)	(26.00)	(14.51)	-	(34.82)	(14.51)	(34.82)
	(ii) Income Tax Relating On Above	5.62	-	7.57	5.62	7.57	(3.65)	-	9.79	(3.65)	9.79
	(iii) Equity Instruments Through Other Comprehensive Income	-	-	-	-	-	(11.93)	18.89	(46.06)	64.28	(21.08)
	Other Comprehensive Income - Total	(16.71)	-	(18.43)	(16.71)	(18.43)	(22.79)	18.89	(71.09)	53.42	(46.11)
XV	Total Comprehensive Income For The Period (Comprising Profit / (Loss) For The Period (After Tax) And Other Comprehensive Income For The Period (After Tax))	(892.52)	4368.67	(464.13)	4936.77	(192.52)	(869.63)	3829.50	(581.92)	5768.83	311.63
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				30420.05	25596.67				36049.22	30393.77
XVIII	Earnings Per Share (EPS)										
	(a) Basic And Diluted EPS From Continuing Operations (In Rs.)	(0.77)	3.85	(0.36)	4.37	(0.17)	(0.75)	3.36	(0.46)	5.04	0.27
	(b) Basic And Diluted EPS From Discontinued Operations (In Rs.)	-	-	(0.05)	-	-	-	-	(0.05)	-	-
	(c) Basic And Diluted EPS From Continuing and Discontinued Operations (In Rs.)	(0.77)	3.85	(0.41)	4.37	(0.17)	(0.75)	3.36	(0.51)	5.04	0.27



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

Irmgard Velagapudi
Irmgard Velagapudi
Managing Director

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 REPORTING OF SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE QUARTER AND YEAR ENDED 31.03.2023 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	
		31.03.2023	31.12.2022	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.12.2022	31.03.2022	31.03.2023	31.03.2022
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)	
1	SEGMENT WISE REVENUE										
	a) Sugar	5421.12	5631.45	6614.31	19988.59	25999.20	5421.12	5631.45	6614.31	19988.59	25999.20
	b) Chemicals	1122.05	603.16	1451.49	3081.55	4357.60	1122.05	603.16	1451.49	3081.55	4357.60
	c) Power & Fuel	1737.65	684.31	1732.96	2421.96	2439.05	1737.65	684.31	1732.96	2421.96	2439.05
	d) Engineering	216.17	152.09	322.39	910.81	494.41	1115.86	867.03	1304.61	7630.55	5336.99
	e) Others	202.79	186.82	230.41	765.55	696.57	202.79	187.34	232.53	778.86	706.38
	f) Unallocated	0.07	0.55	0.68	1.15	1.34	0.07	0.55	0.68	1.15	1.34
	TOTAL	8699.85	7258.38	10352.24	27169.61	33988.17	9599.54	7973.84	11336.58	33902.66	38840.56
	Less: Inter Segment Revenue	3693.87	531.19	4793.62	4977.08	6900.94	3693.87	531.19	4793.62	4977.08	6900.94
	Sales / Income from Operations	5005.98	6727.19	5558.62	22192.53	27087.23	5905.67	7442.65	6542.96	28925.58	31939.62
2	SEGMENT RESULT - PROFIT / (LOSS) BEFORE TAX AND INTEREST FROM EACH SEGMENT										
	a) Sugar	(748.74)	(484.22)	208.90	(1157.19)	819.90	(748.74)	(484.22)	208.90	(1157.19)	819.90
	b) Chemicals	(9.29)	25.82	(3.35)	(8.99)	126.34	(9.29)	25.82	(3.35)	(8.99)	126.34
	c) Power & Fuel	249.73	147.36	346.07	393.98	492.61	249.73	147.36	346.07	393.98	492.61
	d) Engineering	110.41	53.68	193.91	519.44	210.96	172.02	(723.05)	444.28	1567.66	1271.14
	e) Others	75.26	134.63	142.62	446.13	424.28	75.38	139.15	144.34	455.34	428.93
	f) Unallocated	482.65	510.29	(55.10)	1673.15	0.00	482.65	510.29	(55.10)	1673.15	0.00
	(A) Sub Total	160.02	387.56	833.05	1866.52	2074.09	221.75	(384.65)	1085.14	2923.95	3138.92
	(1) Finance Cost	407.09	269.85	498.76	1360.79	1915.63	405.12	291.94	519.78	1429.22	1969.53
	(2) Other Unallocable Expenditure Net Off Unallocable Income	97.06	(4446.19)	930.37	(5401.31)	418.38	97.06	(4446.19)	1166.01	(5401.31)	654.02
	(B) Sub Total (1 + 2)	504.15	(4176.34)	1429.13	(4040.52)	2334.01	502.18	(4154.25)	1685.79	(3972.09)	2623.55
	Total Profit / (Loss) Before Tax (A - B)	(344.13)	4563.90	(596.08)	5907.04	(259.92)	(280.43)	3769.60	(600.65)	6896.04	515.37
	Tax	531.68	195.23	(150.38)	953.56	(85.83)	566.41	(41.01)	(89.82)	1180.63	157.63
	Total Profit / (Loss) After Tax	(875.81)	4368.67	(445.70)	4953.48	(174.09)	(846.84)	3810.61	(510.83)	5715.41	357.74
3	Segment Assets										
	a) Sugar	24119.17	16229.58	22044.03	24119.17	22044.03	24119.17	16229.58	22044.03	24119.17	22044.03
	b) Chemicals	2174.36	2118.63	2361.97	2174.36	2361.97	2174.36	2118.63	2361.97	2174.36	2361.97
	c) Power & Fuel	1450.42	1563.54	1436.52	1450.42	1436.52	1450.42	1563.54	1436.52	1450.42	1436.52
	d) Engineering	2016.83	1844.32	1874.22	2016.83	1874.22	10070.03	9697.70	9526.62	10070.03	9526.62
	e) Others	1290.12	2900.18	2364.60	1290.12	2364.60	1910.80	3529.11	2907.62	1910.80	2907.62
	f) Unallocated	23648.27	24417.37	22570.53	23648.27	22570.53	23363.27	24132.37	22285.53	23363.27	22285.53
	Total	54699.17	49073.62	52651.87	54699.17	52651.87	63088.05	57270.93	60562.29	63088.05	60562.29
	Segment Liabilities										
	a) Sugar	15057.14	5466.94	13993.28	15057.14	13993.28	15057.14	5466.94	13993.28	15057.14	13993.28
	b) Chemicals	128.02	191.93	217.80	128.02	217.80	128.02	191.93	217.80	128.02	217.80
	c) Power & Fuel	17.63	(41.41)	15.34	17.63	15.34	17.63	(41.41)	15.34	17.63	15.34
	d) Engineering	69.00	19.32	4.06	69.00	4.06	2827.64	2609.61	3117.23	2827.64	3117.23
	e) Others	63.14	2859.82	1758.40	63.14	1758.40	64.21	2860.58	1758.55	64.21	1758.55
	f) Unallocated	7810.34	8130.60	9932.46	7810.34	9932.46	7810.34	8130.60	9932.46	7810.34	9932.46
	Total	23145.27	16627.20	25921.34	23145.27	25921.34	25904.98	19218.25	29034.66	25904.98	29034.66
4	CAPITAL EMPLOYED (Segment Assets - Liabilities)										
	a) Sugar	9062.03	10762.64	8050.75	9062.03	8050.75	9062.03	10762.64	8050.75	9062.03	8050.75
	b) Chemicals	2046.34	1926.70	2144.17	2046.34	2144.17	2046.34	1926.70	2144.17	2046.34	2144.17
	c) Power & Fuel	1432.79	1604.95	1421.18	1432.79	1421.18	1432.79	1604.95	1421.18	1432.79	1421.18
	d) Engineering	1947.83	1825.00	1870.16	1947.83	1870.16	7242.39	7088.09	6409.39	7242.39	6409.39
	e) Others	1226.98	40.36	606.20	1226.98	606.20	1846.59	668.53	1149.07	1846.59	1149.07
	f) Unallocated	15837.93	16286.77	12638.07	15837.93	12638.07	15552.93	16001.77	12353.07	15552.93	12353.07
	Total Capital Employed in Segments	31553.90	32446.42	26730.53	31553.90	26730.53	37183.07	38052.68	31527.63	37183.07	31527.63

- Notes:
- Sugar industry being a seasonal industry and of a predominantly cyclical nature, the above results cannot be construed as an indicator for the inter - period comparison between the quarters within a financial year.
 - Figures for the previous periods have been reclassified, wherever necessary, to conform to the current period's classification.
 - 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 figures for the quarter ended 31.03.2023 and 31.03.2022 are balancing figure between Audited Figures in respect of full financial year and the published year-to-date figures upto the third quarter of the relevant financial year.
 - 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 29.05.2023
 - The Statutory Auditor of the Company audited the above Standalone and Consolidated Financial Results for the Year ended 31.03.2023 and the Audit Report with an unqualified opinion was placed before the Board.

// BY ORDER OF THE BOARD //

Place: Chennai
Date: 29.05.2023



IRMGARD VELAGAPUDI
IRMGARD VELAGAPUDI
MANAGING DIRECTOR

Balance Sheet as at March 31, 2023

Amount in Rupees

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	889541640	853060099
(b) Capital work-in-progress	3 (a)	609064	9772303
(c) Intangible assets	4	1823688	459891
(d) Financial assets			
(i) Investments	5	1307979618	965594043
(ii) Other Financial Assets	6	8671999	4457034
(e) Deferred tax assets (Net)	21	0	52416185
(f) Other non current assets	7	40347785	49204989
Current assets			
(a) Inventories	8	2096243167	1935500937
(b) Financial Assets			
(i) Investments	9	511951890	616925677
(ii) Trade receivables	10	80443718	124009787
(iii) Cash and cash equivalents	11	345130494	154543583
(iv) Bank Balances other than (iii) above	12	62271177	59394425
(v) Other financial assets	13	546682	420167
(c) Current tax assets (Net)	14	38528454	5561943
(d) Other current assets	15	71214093	76851293
Assets held for sale	16	43526684	84188263
Total Assets		5498830153	4992360620
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	17	113385050	113385050
(b) Other equity	18	3042004911	2559667034
LIABILITIES			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	482394191	721867821
(ii) Other Financial liabilities	20	8675206	9649479
(b) Provisions	22	19559898	38528636
(c) Deferred tax liabilities	21	39136724	-
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	23	1408572223	1173758538
(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	24	90206166	97416448
(iii) Other financial liabilities	25	111013926	85316500
(b) Other current liabilities	26	178991883	187811243
(c) Provisions	27	4889975	4959873
Total Equity and Liabilities		5498830153	4992360620



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

Irmgard Velagapudi
Irmgard Velagapudi
Managing Director

Statement of profit or loss for the year ended March 31, 2023

Amount in Rupees

Particulars	Note No.	For Year Ended March 31, 2023	For Year Ended March 31, 2022
I Revenue from operations	28	2219252724	2708723540
II Other income	29	648599049	117725208
III Total Income (I+II)		2867851773	2826448748
IV Expenses			
Cost of material consumed	30	1832071526	1510236020
Purchase of Stock-in-trade		24365582	16829453
Changes in inventories of finished goods, work-in-progress and stock-in-trade	31	-99440058	542169565
Employee benefits expense	32	251958116	241563686
Finance costs	33	136078597	191563361
Depreciation and Amortisation	34	49792450	47577709
Other expenses	35	249637367	302500917
Total expenses (IV)		2444463580	2852440711
V Profit/(loss) before exceptional items and tax (iii - iv)		423388193	-25991963
VI Exceptional items		167315474	-
VII Profit/(loss) before tax		590703667	-25991963
VIII Tax expense			
- Current Tax		3241372	-
- Deferred Tax		92114912	-8641713
-Tax relating to earlier years		-	59384
IX Profit/(loss) for the period		495347383	-17409633
X Profit/(loss) from discontinuing operations		-	-
XI Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plan actuarial gains/ (losses)		-2233004	-2599519
Income tax expense on above		562002	756980
		-1671002	-1842539
XII Total Comprehensive Income for the period (Comprising profit and other comprehensive income for the period)		493676381	-19252172
XIII Earnings per equity share			
(1) Basic		4.37	-0.15
(2) Diluted		4.37	-0.15



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

Irmgard Velagapudi
Irmgard Velagapudi
Managing Director

Statement of Cash Flow for the year ended 31st March 2023

Amount in Rupees.

Particulars	For Year Ended March 31, 2023	For Year Ended March 31, 2022
Cash flows from operating activities		
Total Income for the Period(PBT)	590703667	-25991963
Adjustments:		
- Interest income	-20801322	-11065672
- Loss/(Profit) on sale of fixed assets	-170295756	-607717
- Loss/ (Gain) on sale of Investments	-381744929	-3927884
- Unclaimed balances credited back	-1372497	-2621615
- Excess provision credited back	-1497619	-4291664
- Adjustment for OCI	-2233004	-2599519
- Interest expense	136078597	191563361
-Dividend Income	-26271473	-22840308
- Fair Value Adjustment	-137860869	49244862
-Assets Written off	-	1297950
- Depreciation and amortization	49792450	47577709
Operating cash flow before working capital changes	34497246	215737540
Changes in		
- Decrease / (Increase) In Trade Receivables	43566070	160670574
- Decrease / (Increase) In Inventory	-160742229	537174939
- Decrease / (Increase) In Other current /Non Current Financial Asset(s)	-4341480	191125289
- Decrease / (Increase) In Current Investments	104973787	-22468009
- Decrease / (Increase) In Other non-current / Non current asset	14494405	-7677118
- (Decrease)/ Increase In Long term Provisions	-17471118	8074590
- (Decrease)/ Increase In Other Financial liabilities Non Current	-974273	-144135
- (Decrease)/ Increase In Trade Payables current	-5837784	15919579
- (Decrease)/ Increase In other current liabilities	-8819360	179519045
- (Decrease)/ Increase In Other financial liabilities current	25697426	-131055993
- (Decrease)/ Increase In Short Term provisions current	-69898	-3726554
Income taxes paid(Net)	-36207883	624788
Net Cash generated from / (used in) operations	-45732340	928036995
Cash flows from investing activities		
Purchase of fixed assets	-78505643	-41554742
Proceeds from sale of fixed assets	210988428	-3245454
Investment made in current and Non Current Investments	-247202400	-962458
Dividend Income	26271473	22840308
Proceeds from sale of Investments	424422624	5411200
Changes in margin money deposits	-2876753	14238948
Interest received	20801322	11065672
Net cash generated from/(used in) investing activities	353899052	7793474
Proceeds from / (repayment of) long term and short term borrowings	-4659945	-807879953
Dividend Paid	-11338505	-11338505
Interest paid	-136078597	-191563361
Net cash used in financing activities	-152077046	-1010781819
Increase in cash and cash equivalents	190586911	140786190
Cash and cash equivalents at the beginning of the year	154543583	13757393
Cash and cash equivalents at the end of the year	345130494	154543583
Components of cash and cash equivalents (refer note 11)		
Cash on hand	988291	733908
Balances with banks	344142203	153809675
Total cash and cash equivalents	345130494	154543583



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

Irmgard Velagapudi
Irmgard Velagapudi
Managing Director

INDEPENDENT AUDITOR'S REPORT

To The Board of Directors of K.C.P Sugar and Industries Corporation Limited

Report on the audit of the Standalone Annual Financial Results

Opinion

We have audited the accompanying statement of standalone annual financial results of K.C.P Sugar and Industries Corporation Limited (hereinafter referred to as "the Company") for the year ended 31 March 2023, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the 'Listing Regulations').

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

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations, as amended; and
- ii. gives a true and fair view in conformity with recognition and measurement principles laid down in the applicable Indian Accounting standards ("Ind As"), and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the Company for the year ended 31 March 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 Standalone Financial Results* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the 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 we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone annual financial results.

Management's and Board of Directors' Responsibilities for the Standalone Annual Financial Results

These standalone annual financial results have been prepared on the basis of the standalone annual financial statements.

The Company's Management and Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit/loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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



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results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial results, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial results.

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

- Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and the Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



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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 Matter

- a. The standalone annual financial results include the results for the quarter ended 31 March 2023, being the balancing figures between the audited figures in respect of the full financial year and the unaudited year-to-date figures up to the third quarter of the current financial year, which were subject to limited review by us.
- b. The audit of the standalone annual financial results for the corresponding quarter and year ended 31 March 2022 included in the Statement was carried out and reported by Suri & Siva who have expressed an unmodified opinion vide their audit report dated 27 May 2022, whose report has been furnished to us, and which has been relied upon us for the purpose of our audit of the Statement. Our opinion is not modified in respect of this matter.

for **B. Purushottam & Co.,**
Chartered Accountants
Firm Registration Number: 002808S



B Mahidhar Krrishna
Partner
Membership number: 243632

UDIN: 23243632BGUNLI1360

Place: Chennai

Date: 29 May 2023

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 31 March 2023, 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 31 March 2023, its profit (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.

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:



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#	Key Audit Matters	How the matter was addressed in our audit
1	<p>Determination of net realizable value of inventory of sugar as at the year ended 31 March 2023.</p> <p>As on 31 March 2023, the Company has inventory of sugar with the carrying value Rs. 15442.72 lakhs. The inventory of sugar is valued at the lower of cost and net realizable value. We considered the inventory valuation of sugar as a key audit matter given the relative size of the balance in the financial statements and significant judgment involved in the consideration of factors such as monthly quota, fluctuation in selling prices and the related notifications of the Government in determination of net realizable value.</p> <p>For details: - Refer Note No 42 to the Financial Statements.</p>	<p>Our audit procedures included the following:</p> <ol style="list-style-type: none">1. We understood and tested the design and operating effectiveness of controls as established by the management in determination of net realizable value of inventory of sugar.2. Assessing the appropriateness of Company's accounting policy for valuation of finished goods and compliance of the policy with the requirements of the prevailing accounting standards.3. We considered various factors including the actual selling price prevailing around and subsequent to the year-end, minimum selling price, monthly quota and other notifications of the Government of India, initiatives taken by the Government with respect to sugar industries.4. Compared the cost of the finished goods with the estimated net realizable value and checked if the finished goods were recorded at net realizable value where the cost was higher than the net realizable value. For the purpose of determining cost, the Company has considered the prevailing market conditions. <p>Based on the above procedures performed, the management's determination of the net realizable value of the inventory of sugar as at the year end and comparison with cost for valuation of inventory, is considered to be reasonable.</p>

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, 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. When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate to those charged with governance and take necessary actions as required under applicable laws and regulations.

Management's and Board of Directors Responsibilities for Standalone Financial Statements

The Company's Management and the Board of Directors are 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, the Management and 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 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:

- 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.



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- 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.

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

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2020 ("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 31 March 2023, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023, 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 matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 and schedule V of the Act.

- (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:
 - i. The Company has disclosed the impact of pending litigations on its financial position. Refer note 44b to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no delay in transferring the amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. (a) The management has represented, to the best of its knowledge and belief, that no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly lend or invest in other persons or



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entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) The management has represented, to the best of its knowledge and belief, that no funds (which are material either individually or in aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance, with Section 123 of the Act, as applicable.
- (b) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

for B. Purushottam & Co.

Chartered Accountants

Firm's Registration No. 002808S



B Mahidhar Krrishna

Partner

Membership No. 243632

UDIN: 23243632BGUNLK5682

Place: Chennai

Date: 29 May 2023

Annexure A to the Independent Auditor's report of even date to the members of K.C.P Sugar and Industries Corporation Limited, on the financial statements for the year ended 31 March 2023

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Based on the audit procedures performed for the purpose of reporting a true and fair view of the financial statements of the Company and taking into consideration the information and explanations given to us and the books of accounts and other records examined by us, in the normal course of audit, and to the best of our knowledge, we report that:

- i. in respect of the Company's property, plant and equipment and intangible assets:
 - (a) A. the Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
 - B. the Company has maintained proper records showing full particulars of intangible assets.
 - (b) the Company has a program of physical verification of property, plant and equipment at regular intervals so to cover all the assets which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification
 - (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, which are in the name of the erstwhile demerged Company.
 - (d) the Company has not revalued any of its property, plant and equipment and intangible assets during the year.
 - (e) no proceedings have been initiated during the year or are pending against the Company as at 31 March 2023 for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) the Company has a program of physical verification of inventory at regular intervals which, in our opinion, is reasonable having regard to the size of the Company and the nature of its inventory. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (b) the Company has availed working capital facilities in excess of INR 5 crores from banks / financial institutions on the basis of security of current assets and the quarterly returns / statements filed by the Company are in agreement with the books of accounts.



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- iii. The Company has not made investments or provided guarantee or security or granted loans or advances, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or any other parties, during the year and hence reporting under clause 3(iii) and its sub clauses (a) to (f) of the Order is not applicable:
- iv. the Company has not provided an guarantee or security as specified under sections 185 and 186 of the Act. In respect of loans granted and investments made, the Company has complied with the provisions of section 185 and 186 of the Act, as applicable.
- 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. in respect of statutory dues:
- (a) the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, duty of customs, cess and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable which were outstanding as on 31 March 2023 for a period of more than six months from the date on which they became payable
- (b) details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31 March 2023, on account of disputes are given below:

Name of the statute	Disputed Amount in INR lakhs	Period to which the amount related to	Paid under protest INR lakhs	Forum where the dispute is pending
Andhra Pradesh Value Added Tax Act, 2005	16.61	April 2009 to October 2013	16.61	Sales Tax Appellate Tribunal, Vizag
Employees provident funds and Miscellaneous Provisions Act, 1952	110.95	April 2011 to November 2013	38.31	The Employee's Provident Funds Appellate Tribunal (EPFAT), Bangalore
A.P.E.D Act, 1939	21.74	17 th July 2003 to 31 st March 2017	10.87	Hon'ble Andhra Pradesh High Court.
A.P.E.D Act, 1939	557.13	17 th July 2003 to 23 rd May 2013.	334.28	Hon'ble Supreme Court of India



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- viii. there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year and hence reporting under clause 3(ix)(a) of the Order is not applicable
- (b) the Company has not been declared a willful defaulter by any bank of financial institution or government or any government authority.
- (c) as per the information and explanations provided to us, the term loans were applied for the purpose for which the loans were obtained.
- (d) on an overall examination of the financial statements of the Company, funds raised on short term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) on an overall examination of the financial statements of the Company, the Company has not taken funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence reporting under clause 3(ix)(f) of the Order is not applicable.
- x. (a) the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) is not applicable.
- (b) the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) no fraud by the Company and no fraud on the Company has been noticed or reporting during the year
- (b) no reporting under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the date of this report.
- (c) as informed by the Company, there were no whistle-blower complaints received during the year.
- xii. the Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with sections 177 and 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards.



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- iv. (a) in our opinion and based on our examination, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) we have considered the internal audit reports of the Company issued during the year and till date.
- xv. the Company has not entered into any non-cash transactions its directors or persons connected with its directors and hence provisions of section 192 of the Act are not applicable to the Company.
- xvi. in our opinion, the Company is not required to registered under section 45-IA of the Reserve Bank of India Act, 1934 and hence reporting under clause 3(xvi) and its sub-clauses of the Order is not applicable.
- xvii. the Company has not incurred cash losses during the financial year and the immediately preceding financial year.
- xviii. there has been no resignation of the statutory auditors of the Company during the year.
- xix. on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) in our opinion and based on our examination, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) we have considered the internal audit reports of the Company issued during the year and till date.

for B. Purushottam & Co.

Chartered Accountants

Firm's Registration No. 002808S



B. Mahidhar

B Mahidhar Krishna

Partner

Membership No. 243632

UDIN: 23243632BGUNLK5682

Place: Chennai

Date: 29 May 2023

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 31 March 2023 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 Company's Management and the Board of Directors are 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.

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.



B. Purushottam & Co.

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.

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 31 March 2023, 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 B. Purushottam & Co.

Chartered Accountants

Firm's Registration No. 002808S



B. Mahidhar

B Mahidhar Krrishna
Partner

Membership No. 243632

UDIN: 23243632BGUNLK5682

Place: Chennai

Date: 29 May 2023

Consolidated Financial statements

K.C.P.Sugar And Industries Corporation Ltd

Balance Sheet as at March 31, 2023

Amount in Rupees

Particulars	Note	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	955797843	914968981
(b) Capital work-in-progress	3a	609064	9772303
(c) Other Intangible assets	4	1823688	459891
(d) Intangible Asset under Development	4a	6525302	4666902
(e) Financial assets			
(i) Investments	5	1387392338	1043794204
(ii) Other Financial Assets	6	9247130	5032165
(f) Deferred tax assets, (net)	21		56005938
(g) Other non-current assets	7	40347785	52236577
Current assets			
(a) Inventories	8	2301838733	2154835634
(b) Financial Assets			
(i) Investments	9	710260395	759956827
(ii) Trade receivables	10	221084883	293092763
(iii) Cash and cash equivalents	11	374782585	178397826
(iv) Bank Balances other than (iii) above	12	96533690	82702292
(v) Other financial assets	13	966509	420167
(c) Current Tax Assets (Net)		34278417	0
(c) Other current assets	14	93576597	136889140
Asset held for sale	15	43526684	84188263
Total Assets		6278591643	5777419873
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	16	113385050	113385050
(b) Other equity	17	3604922034	3039377399
Liability			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	437394191	721867821
(ii) Other Financial liabilities	19	8675206	9649479
(b) Provisions	20	110551978	101714925
(d) Deferred tax liabilities (net)	21	35262236	0
(a) Other Non Current Liabilities	21	8285307	
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	22	1408572223	1173758538
(ii) Trade payables	23		
a) Total outstanding dues of micro enterprises and small enterprises		1308599	
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		138410505	209181359
(iii) Other financial liabilities	24	111830095	86422653
(b) Other current liabilities	25	282536503	297436493
(c) Short Term provisions	26	17457716	15695201
(d) Current Tax Liabilities (Net)	27	0	8930955
Total Equity and Liabilities		6278591643	5777419873



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

Irmgard Velagapudi
Irmgard Velagapudi
Managing Director

K.C.P.Sugar And Industries Corporation Ltd
Statement of profit or loss for the year ended March 31, 2023

Amount in Rupees

Particulars	Note	For Year Ended March 31, 2023	For Year Ended March 31, 2022
I Revenue from operations	28	2892557649	3193962081
II Other income	29	677858116	160389610
III Total Income (I+II)		3570415765	3354351691
IV Expenses			
Cost of material consumed	30	2129027664	1784710162
Purchase of Stock-in-trade		24365582	16829453
Changes in inventories of finished goods, work-in-progress and stock-in-trade	31	-106843092	470839216
Excise duty on sale of goods			
Employee benefits expense	32	336688333	318855508
Finance costs	33	142922483	196952599
Depreciation and Amortisation	34	54094354	51843413
Other expenses	35	467872003	462784112
Total expenses (IV)		3048127327	3302814462
V Profit/(loss) before exceptional items and tax		522288438	51537228
VI Exceptional items		167315474	
VII Profit/(loss) before tax		689603912	51537228
VIII Tax expense			
- Current Tax		28924372	25000000
- Deferred Tax		91633462	-9296430
- Provision for taxation relating to earlier years		-2494999	59384
IX Profit/(loss) for the period		571541077	35774275
X Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Equity instruments through other comprehensive income		6428177	-2108491
Remeasurements of defined benefit plan actuarial gains/ (losses)		-1451402	-3481538
Income tax expense on above		-365288	978967
		5342063	-4611062
XI Total Comprehensive Income for the period (Comprising profit and other comprehensive income for the period)		576883140	31163213
XII Earnings per equity share			
(1) Basic		5.04	0.32
(2) Diluted		5.04	0.32



For K C P Sugar and Industries Corporation Ltd.

Irmgard Velagapudi
Irmgard Velagapudi
Managing Director

Statement of Consolidated Cash Flow statement

Amount in Rupees

Particulars	For Year Ended March 31, 2023	For Year Ended March 31, 2022
Cash flows from operating activities		
Total Income for the Period(PBT)	689603912	51537229
Adjustments:		
- Interest income	-22654675	-12488677
- Loss/(Profit) on sale of fixed assets	-170296571	-761228
- Loss/(Profit) on sale of Investment	-382089684	-3982451
- Loss/(Profit) on sale of Lakshnipuram assets		
- Balance Written off		0
- Excess Provision Credited Back	-24401399	-31158134
- Adjustment for OCI	4976775	-5590029
- Interest expense	142922483	196952599
- Dividend Income	-29217025	-25073187
- Profit from Partnership firm	5488074	
- Fair Value Adjustment	-150032366	49244862
- Assets Written off	0	1297950
- Depreciation and amortization	54094354	51843413
Operating cash flow before working capital changes	118393878	271822347
Changes in		
- Decrease/(Increase) In Trade Receivables	72007880	169902259
- Decrease/(Increase) In Inventory	-147003099	460991894
- Decrease/(Increase) In Other current Financial Asset(s)	-546342	192088548
- Decrease/(Increase) In Other current Asset(s)	43312543	-12023837
- Decrease/(Increase) In Current investments	55439752	-67230146
- Assets held for sale	0	-5608713
- Decrease/(Increase)Other Financial Assets - Non current	-4214965	-695755
- Decrease/(Increase) In Other non-current asset	11888793	-7677118
(Decrease)/Increase In Long term Provisions	33238452	35356465
(Decrease)/Increase In non-current Financial liabilities	-974273	-144134
(Decrease)/Increase In Trade Payables current	-69462255	61067060
(Decrease)/Increase In other No current and Current liabilities	-6614683	207714490
(Decrease)/Increase In Other financial liabilities current	25407442	-134173083
(Decrease)/Increase In Short Term provisions current	1762516	-5598945
Income taxes paid	-69638745	-22715838
Net Cash generated from / (used in) operations	-55396984	871253147
Cash flows from investing activities		
Investment in Partnership firm		0
Purchase of fixed assets	-89015455	-43645373
Purchase of Investments	-255584061	
Proceeds from sale of fixed assets	210991428	3883310
Proceeds from sale of Asset Held for sale		
Proceeds from sale of Investments	432876583	
Dividend Income	29217025	25073187
Investment made in Non Current Investments(net)		958806
Decrease / (Increase) in Margin Money Deposits	-13831398	9643160
Interest received	22654675	12488677
Net cash generated from/(used in) investing activities	337308798	8401768
Cash flows from financing activities		
Proceeds from / (repayment of) long term and short term borrowings	-49659945	-807879952
Preference dividend paid (including dividend distribution tax)		0
Interest paid	-142922483	-196952599
Proceeds from long term loans		0
Dividend paid	-11338505	-11338505
Repayment of long term loans		0
Net cash used in financing activities	-203920932	-1016171056
Increase in cash and cash equivalents	196384761	135306205
Cash and cash equivalents at the beginning of the year	178397825	43091620
Cash and cash equivalents at the end of the year	374782585	178397825
	374782585	178397825
Components of cash and cash equivalents (refer note 11)		
Cash on hand	1133147	871849
Balances with banks	373649438	177525977
Total cash and cash equivalents	374782585	178397826



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

Irmgard Velagapudi
Irmgard Velagapudi
Managing Director

INDEPENDENT AUDITOR'S REPORT

To The Board of Directors of K.C.P Sugar and Industries Corporation Limited

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 31 March 2023, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the '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:
 - a. THE EIMCO-K.C.P LIMITED : Subsidiary
 - b. KCP Sugars Agricultural Research Farms Limited : Subsidiary
- 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 recognition and measurement principles laid down in the applicable Indian Accounting standards ("Ind As"), and other accounting principles generally accepted in India, of net profit and other comprehensive income and other financial information of the Group for the year ended 31 March 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 ("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, 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.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Results

These consolidated annual financial results have been prepared on the basis of the consolidated annual financial statements.

The Holding Company's Management and 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 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 Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each company and for preventing and detecting frauds and other irregularities; selection and application of appropriate



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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 Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial results, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Management and 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 are responsible for overseeing the financial reporting process of each company.

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 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 in the consolidated annual results made by the Management and the Board of Directors.
- Conclude on the appropriateness of the Management and 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 to cease to continue as a going concern.



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- 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 annual 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 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 No. CIR/CFD/CMD/144/2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Other Matters

- a. The consolidated annual financial results include the results for the quarter ended 31 March 2023, being the balancing figures between the audited figures in respect of the full financial year and the unaudited year-to-date figures up to the third quarter of the current financial year, which were subject to limited review by us.
- b. The audit of the consolidated annual financial results for the corresponding quarter and year ended 31 March 2022 included in the Statement was carried out and reported by Suri & Siva who have expressed an unmodified opinion vide their audit report dated 27 May 2022, whose report has been furnished to us, and which has been relied upon us for the purpose of our audit of the Statement. Our opinion is not modified in respect of this matter.

for B. Purushottam & Co.,
Chartered Accountants
Firm Registration Number: 002808S



B Mahidhar Krrishna
Partner
Membership number: 243632

UDIN: 23243632BGUNLJ3978
Place: Chennai
Date: 29 May 2023

INDEPENDENT AUDITOR'S REPORT

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

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **K.C.P Sugar and Industries Corporation Limited** (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated Balance Sheet as at 31 March 2023, and the consolidated statement of Profit and Loss (including Other comprehensive income), the consolidated statement of changes in equity and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 ("Ind AS") prescribed under section 133 of the act read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2023, of consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of consolidated financial statements in accordance with the Standards on Auditing ("SA's) specified under section 143(10) of the Companies act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by Institute of Chartered Accountants of India (ICAI), together with the ethical requirements that are relevant to our audit of consolidated financial statements under the provisions of the Act and the Rules made 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 obtained us is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated 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:



B. Purushottam & Co.

#	Key Audit Matters	How the matter was addressed in our audit
1	<p>Determination of net realizable value of inventory of sugar as at the year ended 31 March 2023.</p> <p>As on 31 March 2023, the Company has inventory of sugar with the carrying value Rs. 15442.72 lakhs. The inventory of sugar is valued at the lower of cost and net realizable value. We considered the inventory valuation of sugar as a key audit matter given the relative size of the balance in the financial statements and significant judgment involved in the consideration of factors such as monthly quota, fluctuation in selling prices and the related notifications of the Government in determination of net realizable value.</p>	<p>Our audit procedures included the following:</p> <ol style="list-style-type: none">1. We understood and tested the design and operating effectiveness of controls as established by the management in determination of net realizable value of inventory of sugar.2. Assessing the appropriateness of Company's accounting policy for valuation of finished goods and compliance of the policy with the requirements of the prevailing accounting standards.3. We considered various factors including the actual selling price prevailing around and subsequent to the year-end, minimum selling price, monthly quota and other notifications of the Government of India, initiatives taken by the Government with respect to sugar industries.4. Compared the cost of the finished goods with the estimated net realizable value and checked if the finished goods were recorded at net realizable value where the cost was higher than the net realizable value. For the purpose of determining cost, the Company has considered the prevailing market conditions. <p>Based on the above procedures performed, the management's determination of the net realizable value of the inventory of sugar as at the year end and comparison with cost for valuation of inventory, is considered to be reasonable.</p>

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

The Holding Company's Management and 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, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated 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. When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate to those charged with governance and take necessary actions as required under applicable laws and regulations.

Management's and Board of Directors Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and the Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Boards of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 statements 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 statements by the Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and the Board of Directors of the Companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intend to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Management and Board of Directors of the Companies included in the Group are also responsible for overseeing the financial reporting process of each Company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 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 and its subsidiary companies which are companies incorporated in India, 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 the 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 ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

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

We communicate with those charged with governance of the Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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



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other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.
 - e) On the basis of the written representations received from the Directors of the Company as on 31 March 2023 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2023 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 Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditor's reports of the company and its subsidiaries incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies, for the reasons stated therein.
 - 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:



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In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of section 197 and schedule V of the Act.

- 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer note no 36.1 to the consolidated financial statements.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, which were required to be transferred, to the Investor Education and Protection Fund by the Company and its Subsidiary Companies incorporated in India.
 - iv.
 - (a) The respective management's have represented, to the best of its knowledge and belief, that no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The respective management's have represented, to the best of its knowledge and belief, that no funds (which are material either individually or in aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - iv.
 - (a) The final dividend proposed in the previous year, declared and paid by the Holding Company during the year is in accordance, with Section 123 of the Act, as applicable.
 - (b) The Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.



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2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/"CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

for **B. Purushottam & Co.**

Chartered Accountants

Firm's Registration No. 002808S



B Mahidhar Krishna
Partner

Membership No. 243632

UDIN: 23243632BGUNLL7881

Place: Chennai

Date: 29 May 2023

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(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")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2023, we have audited the internal financial controls over financial reporting of **K.C.P Sugar and Industries Corporation Limited** (hereinafter referred to as "the Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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 ("the ICAI"). 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, including adherence to the respective company's policies, 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company and its subsidiary companies, which are companies incorporated in India, 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.

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 judgement, 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 internal financial controls system over financial reporting of the Holding



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Company and its subsidiary companies, which are companies incorporated in India.

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.

Inherent 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, 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 31 March 2023, based on the internal control over financial reporting criteria established by the respective companies 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 B. Purushottam & Co.
Chartered Accountants

Firm's Registration No. 002808S



B. Mahidhar
B Mahidhar Krrishna
Partner

Membership No. 243632

UDIN: 23243632BGUNLL7881

Place: Chennai

Date: 29 May 2023

Declaration under Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

I, K. Panneer Selvan, Chief Financial Officer of K.C.P.Sugar and Industries Corporation Limited (CIN: L15421TN1995PLC033198) having its Registered Office at 'Ramakrishna Buildings', No.239, Anna Salai, Chennai - 600 006, hereby declare that the Statutory Auditor M/s. B.Purushottam & Co, Chartered Accountants, Chennai (FRN: 002808S) have issued an Audit Report (Standalone and Consolidated) with unmodified opinion on Audited Financial Results of the Company for the Quarter and Financial Year ended 31/03/2023.

This declaration is given in compliance to Regulation 33(3) (d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Please take the same on your record and oblige.

Place: Chennai
Date: 29/05/2023



K. Panneer Selvan
K.Panneer Selvan
Chief Financial Officer

◇ 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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	- Lakshmipuram	Krishna Dist., A.P. - 521 131.	Tel : 08671 222046	Fax : 08671 222640
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