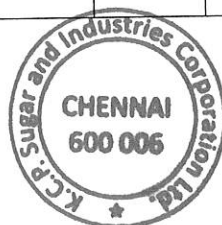


K.C.P.SUGAR AND INDUSTRIES CORPORATION LIMITED
REGD OFFICE : "RAMAKRISHNA BUILDINGS", NO.239,ANNA SALAI, CHENNAI 600 006
CIN: L15421TN1995PLC033198

Audited Standalone and Consolidated Financial Results for the Quarter and Year ended 31.03.2021 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	
		31.03.2021	31.12.2020	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.12.2020	31.03.2020	31.03.2021	31.03.2020
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
I	Revenue from Operations:	7551.06	8158.94	8210.16	29939.16	35453.62	8767.88	8946.67	9034.89	32855.05	39262.31
II	Other Income	1259.41	1916.73	-128.11	4476.24	1123.75	1400.66	1956.62	-66.87	4766.85	1385.23
III	Total Income (I + II)	8810.47	10075.67	8082.05	34415.40	36577.37	10168.54	10903.29	8968.02	37621.90	40647.54
IV	Expenses										
	Cost of Materials consumed	11621.59	3157.05	17558.01	14853.60	25404.22	12058.69	3507.24	17842.62	16140.00	27111.10
	Purchase of stock-in-trade	1215.93		-	1215.93	77.95	1,215.93	-	-	1215.93	77.95
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	-7809.35	4055.00	-12053.27	8874.82	3209.28	-7751.87	3934.60	-12003.68	8714.07	3359.80
	Employee Benefits Expense	1869.35	822.38	1630.35	3199.14	3054.19	2022.79	997.67	1777.60	3827.10	3640.36
	Finance Costs	668.74	464.41	541.95	2387.32	2148.91	695.30	468.97	548.96	2436.31	2185.88
	Depreciation and amortisation expenses	321.21	147.51	377.99	588.50	739.49	337.79	158.09	400.78	636.26	803.59
	Other Expenses	1054.93	424.48	2321.25	2139.70	3672.23	1491.58	598.45	2541.41	2940.87	4544.27
	Total Expenses	8942.40	9070.83	10376.28	33259.01	38306.27	10070.20	9665.02	11107.69	35910.53	41722.95
V	Profit / (Loss) before Exceptional Items & Tax (III - IV)	-131.93	1004.84	-2294.23	1156.39	-1728.90	98.34	1238.27	-2139.67	1711.37	-1075.41
VI	Exceptional Items	-	-	-	-	-	-	-	-	-	-
VII	Profit / (Loss) before Tax (V - VI)	-131.93	1004.84	-2294.23	1156.39	-1728.90	98.34	1238.27	-2139.67	1711.37	-1075.41
VIII	Tax Expense										
	Current Tax	0.00		0.00	0.00	0.00	43.37	58.26	43.70	125.00	185.00
	Deferred Tax	-661.32	48.99	-90.87	-759.97	-404.30	-645.16	48.99	-105.17	-743.81	-418.60
	Reversal of excess provision for taxation relating to earlier years	0.00	-	(209.53)		(209.53)	0.00	-	(215.72)		-215.72
IX	Profit / (Loss) for the period from continuing Operations (VII - VIII)	529.39	955.85	-1993.83	1916.36	-1115.07	700.13	1131.02	-1862.48	2330.18	-626.09
X	Profit / (Loss) from Discontinued Operations	-	-	-	-	-	-	-	-	-	-
XI	Tax Expense of Discontinued operations	-	-	-	-	-	-	-	-	-	-
XII	Profit / (Loss) from Discontinued Operations after Tax (X - XI)	-	-	-	-	-	-	-	-	-	-
XIII	Profit / (Loss) for the period (IX + XII)	529.39	955.85	-1993.83	1916.36	-1115.07	700.13	1131.02	-1862.48	2330.18	-626.09
XIV	Other Comprehensive Income										
	Items that will not be reclassified to Profit / (Loss)										
	(i) Remeasurement of defined benefit plan - Actuarial gains / (Losses)	63.55	-	22.98	63.55	22.98	64.20	-	18.19	64.20	18.19
	(ii) Income Tax relating on above	-18.50	-	(6.69)	(18.50)	-6.69	-18.66	-	-5.48	(18.66)	(5.48)
	(iii) Equity instruments through other comprehensive income	-	-	-	-	-	34.29	79.17	-74.38	144.98	(37.66)
	Other Comprehensive Income-Total	45.05	-	16.29	45.05	16.29	79.83	79.17	(61.67)	190.52	(24.95)
XV	Total comprehensive income (comprising profit and other comprehensive income for the period)	574.44	955.85	-1977.54	1961.41	-1098.78	779.95	1210.19	-1924.15	2520.69	-651.04
XVI	Paid up Equity Share Capital (Face Value Re.1/-)	1133.85	1133.85	1133.85	1133.85	1133.85	1133.85	1133.85	1133.85	1133.85	1133.85
XVII	Other Equity excl. revaluation reserves as at previous balance sheet date	--	--	--	--	--	--	--	--	--	--
XVIII	Earnings per Share (EPS)										
	(a) Basic and diluted EPS before Extraordinary Items for the period, for the year to-date and for the previous year (not to be annualized)	0.51	0.84	-1.74	1.73	-0.97	0.69	1.07	-1.70	2.22	-0.57
	(b) Basic and diluted EPS after Extraordinary Items for the period, for the year to-date and for the previous year (not to be annualized)	0.51	0.84	-1.74	1.73	-0.97	0.69	1.07	-1.70	2.22	-0.57



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

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

Rs. In Lakhs

SL NO	PARTICULARS	STANDALONE					CONSOLIDATED				
		Quarter ended			Year ended		Quarter ended			Year ended	
		31.03.2021	31.12.2020	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.12.2020	31.03.2020	31.03.2021	31.03.2020
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1	SEGMENT WISE REVENUE										
	a) Sugar	6114.58	7797.74	9764.11	27607.17	35991.04	6114.58	7797.74	9764.11	27607.17	35991.04
	b) Chemicals	1374.89	955.02	1419.98	3732.25	5450.40	1374.89	955.02	1419.98	3732.25	5450.40
	c) Power & Fuel	1775.19	564.10	2522.65	2343.54	3780.11	1775.19	564.10	2522.65	2343.54	3780.11
	d) Engineering	0.00		0.00		0.00	1216.17	778.25	822.96	2905.14	3794.88
	e) Others	171.17	160.38	113.32	671.20	548.62	181.92	159.51	115.09	681.95	562.43
	f) Unallocated	1402.02	0.25	0.80	1402.52	2.26	1391.92	10.60	0.80	1402.52	2.26
	TOTAL	10837.85	9477.49	13820.86	35756.68	45772.43	12054.67	10265.22	14645.59	38672.57	49581.12
	Less: Inter Segment Revenue	3286.79	1318.55	5610.70	5817.52	10318.81	3286.79	1318.55	5610.70	5817.52	10318.81
	Sales / Income from Operations	7551.06	8158.94	8210.16	29939.16	35453.62	8767.88	8946.67	9034.89	32855.05	39262.31
2	SEGMENT RESULT - PROFIT / LOSS BEFORE TAX AND INTEREST FROM EACH SEGMENT										
	a) Sugar	-1034.53	-298.83	-487.71	-851.01	-50.69	-1034.53	-298.83	-487.71	-851.01	-50.69
	b) Chemicals	277.85	-20.14	-108.88	399.66	702.07	277.84	-20.14	-108.88	399.65	702.07
	c) Power & Fuel	278.09	18.79	424.64	256.80	587.54	278.09	18.79	424.64	256.80	587.54
	d) Engineering	0.00		0.00		0.00	260.97	236.04	163.08	607.75	689.42
	e) Others	87.64	83.06	81.05	388.23	332.07	87.09	85.02	83.14	388.04	336.71
	Sub Total	-390.95	-217.12	-90.90	193.68	1570.99	-130.54	20.88	74.28	801.23	2265.06
	Less: (1) Finance Cost	668.74	464.41	541.95	2387.32	2148.91	695.30	468.97	548.96	2436.31	2185.88
	(2) Other un-allocable expenditure net off unallocable Income	927.76	1686.37	1661.38	3350.03	1150.98	924.18	1686.36	1664.99	3346.45	1154.59
	Sub Total	259.02	1221.96	2203.33	962.71	3299.89	228.88	1217.39	2213.95	910.14	3340.47
	Total Profit Before Tax	-131.93	1004.84	-2294.23	1156.39	-1728.90	98.34	1238.27	-2139.67	1711.37	-1075.41
	Tax	-661.32	48.99	-300.40	-759.97	-613.83	-601.79	107.25	-277.19	-618.81	-449.32
	Profit After Tax	529.39	955.85	-1993.83	1916.36	-1115.07	700.13	1131.02	-1862.48	2330.18	-626.09
3	Segment Assets										
	a) Sugar	32041.16	27006.11	41927.43	32041.16	41927.43	32041.16	27006.11	41927.43	32041.16	41927.43
	b) Chemicals	2384.61	2469.78	2377.25	2384.61	2377.25	2384.61	2469.78	2377.25	2384.61	2377.25
	c) Power & Fuel	1809.14	1848.55	2214.22	1809.14	2214.22	1809.14	1848.55	2214.22	1809.14	2214.22
	d) Engineering	0.00		0.00		0.00	6352.13	5699.96	5300.72	6352.13	5300.72
	e) Others	230.12	285.74	280.11	230.12	280.11	789.53	812.17	694.73	789.53	694.73
	f) Unallocated	22275.33	17782.20	15299.80	22275.33	15299.80	21990.33	17497.20	15014.80	21990.33	15014.80
	Total	58740.36	49392.38	62098.81	58740.36	62098.81	65366.90	55333.77	67529.15	65366.90	67529.15
	Segment Liabilities										
	a) Sugar	23082.17	14969.03	28867.18	23082.17	28867.18	23082.17	14969.03	28867.18	23082.17	28867.18
	b) Chemicals	249.77	284.67	242.40	249.77	242.40	249.77	284.67	242.40	249.77	242.40
	c) Power & Fuel	57.23	73.86	34.74	57.23	34.74	57.23	73.86	34.74	57.23	34.74
	d) Engineering	0.00		0.00		0.00	2333.45	1853.05	1696.53	2333.45	1696.53
	e) Others	36.86	61.77	35.33	36.86	35.33	37.01	62.68	35.48	37.01	35.48
	f) Unallocated	8277.90	7541.06	7730.76	8277.90	7730.76	8277.90	7541.06	7730.76	8277.90	7730.76
	Total	31703.93	22930.39	36910.41	31703.93	36910.41	34037.53	24784.35	38607.09	34037.53	38607.09
4	CAPITAL EMPLOYED (Segment Assets - Liabilities)										
	a) Sugar	8958.99	12037.08	13060.25	8958.99	13060.25	8958.99	12037.08	13060.25	8958.99	13060.25
	b) Chemicals	2134.84	2185.11	2134.85	2134.84	2134.85	2134.84	2185.11	2134.85	2134.84	2134.85
	c) Power & Fuel	1751.90	1774.69	2179.48	1751.90	2179.48	1751.90	1774.69	2179.48	1751.90	2179.48
	d) Engineering	0.00	0.00	0.00	0.00	0.00	4018.68	3846.91	3604.19	4018.68	3604.19
	e) Others	193.26	223.97	244.78	193.26	244.78	752.52	749.49	659.25	752.52	659.25
	f) Unallocated	13997.43	10241.14	7569.04	13997.43	7569.04	13712.43	9956.14	7284.04	13712.43	7284.04
	Total Capital Employed in Segments	27036.43	26461.99	25188.40	27036.43	25188.40	31329.37	30549.42	28922.06	31329.37	28922.06

Note:

- Sugar industry being a seasonal industry and of a predominantly cyclical nature, the above results cannot be construed as an indicator of the inter-period comparison between the quarters within a financial year.
- 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 31.03.2021 and 31.03.2020 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 28.06.2021
- The Statutory Auditor of the Company audited the above Standalone and Consolidated Financial Results for the Year ended 31.03.2021 and the Audit Report with an unqualified opinion was placed before the Board.

// BY ORDER OF THE BOARD //

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



Irmgard Velagapudi
Irmgard Velagapudi
Managing Director

Place: Chennai
Date: 28.06.2021

IRMGARD VELAGAPUDI
MANAGING DIRECTOR

Balance Sheet as at March 31, 2021

Amount in Rupees

Particulars	As at March 31, 2021	As at March 31, 2020
ASSETS		
Non-current assets		
(a) Property, plant and equipment	845242935	847894313
(b) Capital work-in-progress	26473489	10826431
(c) Intangible assets	652328	1130504
(d) Financial assets		
(i) Investments	1015359764	699544862
(ii) Loans	3761279	4052564
(e) Deferred tax assets	43017491	0
(f) Other non current assets	41527870	43364680
Current assets		
(a) Inventories	2472675877	3364346137
(b) Financial Assets		
(i) Investments	594457669	569555191
(ii) Trade receivables	284680362	239757942
(iii) Cash and cash equivalents	13757393	53561793
(iv) Bank Balances other than (iii) above	73633372	77877612
(v) Other financial assets	192241210	204302576
(c) Other current assets	83097408	104274252
Assets held for sale	78579550	-
Total Assets	5769157996	6220488857
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share capital	113385050	113385050
(b) Other equity	2590257711	2405455258
LIABILITIES		
Non-current liabilities		
(a) Financial Liabilities		
(i) Borrowings	926454850	743197000
(ii) Other Financial liabilities	9793613	7464513
(b) Provisions	34745709	49183624
(c) Deferred tax liabilities	0	31128959
Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	1473328538	1518039308
(ii) Trade payables		
a) Total outstanding dues of micro enterprises and small enterprises	0	0
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	84118483	609833157
(iii) Other financial liabilities	520095416	703985040
(b) Other current liabilities	8292199	26521042
(c) Provisions	8686427	12295906
Total Equity and Liabilities	5769157996	6220488857



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 Cash Flow for the year ended 31st March 2021

Amount in Rupees.

Particulars	For Year Ended March 31, 2021	For Year Ended March 31, 2020
Cash flows from operating activities		
Total Income for the Period(PBT)	115639428	-172889802
<u>Adjustments:</u>		
- Interest income	-9398606	-11895096
- Loss/(Profit) on sale of fixed assets	-6708745	-6306
- Loss/ (Gain) on sale of Investments	0	-829871
- Adjustment for OCI	6355079	2298554
- Interest expense	238731506	214890585
-Dividend Income	-35501249	-38652185
- Fair Value Adjustment	-315929208	119459890
- Depreciation and amortization	58850171	73949035
Operating cash flow before working capital changes	52038376	186324803
<u>Changes in</u>		
- Increase In Trade Receivables	-44922420	-34379351
(Decrease) In Inventory	891670261	326953470
- Increase In Other current Financial Asset(s)	12175670	-150140618
- Increase In Other current Asset(s)	18641982	25219773
-Asset held for sale	-78579550	
- Increase Long term loans	291285	-59735
- Increase In Other non-current asset	1836810	-2070670
(Decrease)/Increase In Long term Provisions	-14437915	-915821
(Decrease) In Other Financial liabilities Non Current	2329100	-3871679
- (Decrease) In Trade Payables current	-525714674	-712335718
(Decrease) In other current liabilities	-18228843	-11942616
Increase In Other financial liabilities current	-183889622	340902438
(Decrease) In Short Term provisions current	-3609479	-228980
Income taxes paid	2534863	-53630077
Net Cash generated from / (used in) operations	60097469	-276499582
Cash flows from investing activities		
Purchase of fixed assets	-88166626	-16688527
Proceeds from sale of fixed assets	23507695	8018
Investment made in current and Non Current Investments	-24902478	-26860557
Dividend Income	35501249	38652185
Proceeds from sale of Investments	0	4804477
Changes in margin money deposits	4244240	13033798
Interest received	9398606	11895096
Net cash generated from/(used in) investing activities [B] inflow	-40417314	24844490
Cash flows from financing activities		
Proceeds from / (repayment of) long term and short term borrowings	138547081	325056858
- Dividend Paid	-11338505	-13669168
Interest paid	-238731506	-214890585
Net cash used in financing activities	-111522930	96497105
Increase in cash and cash equivalents	-39804400	31166817
Cash and cash equivalents at the beginning of the year	53561793	22394977
Cash and cash equivalents at the end of the year	13757393	53561793
	13757393	53561793
Components of cash and cash equivalents (refer note 11)		
Cash on hand	651689	939691
Balances with banks	13105704	52622102
Total cash and cash equivalents	13757393	53561793



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

Irmgard Velagapudi
Irmgard Velagapudi
Managing Director

INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Standalone Financial Statements

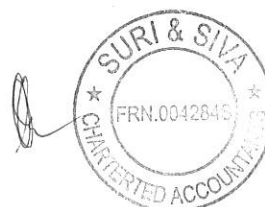
Opinion

We have audited the standalone financial statements of **K.C.P Sugar and Industries Corporation Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including the statement of Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under sec 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, 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.



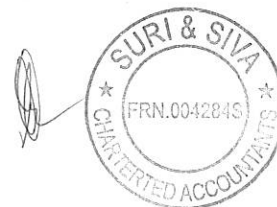
Key Audit Matters

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:

SL No	Key Audit Matters	Substantive Audit Procedures
1	Determination of net realizable value of inventory of sugar as at the year ended March 31, 2021 As on March 31, 2021, the Company has inventory of sugar with the carrying value Rs.210.71 crore. 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. For details: - Refer Note No 41 to the Financial Statements.	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 determination of cost, the Company has considered the prevailing market conditions. 5. 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

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance



and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

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

Management's Responsibility for Standalone Financial Statements

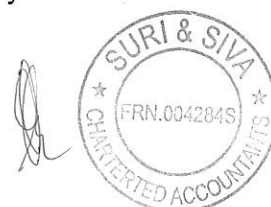
The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income / loss, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material



misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

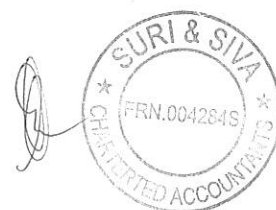
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, Statement of Profit and Loss, (including the statement of Other Comprehensive Income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under section 133 of the Act.
 - (e) On the basis of written representations received from the directors as on March 31, 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, from being appointed as a director in terms of section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

The managerial remuneration of Rs 27,69,647/- paid to the Executive Director for the period 29th July, 2020 to 31st March, 2021 during the financial year 2020-2021 is the minimum remuneration paid for the fourth year of inadequate profits during her tenure covering 29th July, 2017 to 28th July, 2022. The schedule V of the Companies Act and terms of appointment restricts the payment of minimum remuneration to a period of 3 years in the absence of adequate profits. However, the company has stated that the managerial remuneration is in compliance with schedule V of the



companies Act 2013, subject to approval by the shareholders in its general meeting under Section 197 (10) of the Companies Act, 2013. (Refer note 53 to the financial statements.)

(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 does not have any pending litigations which would impact its financial position in its financial position. Refer Note no 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.

For Suri & Siva

Chartered Accountants

Firm Registration Number: 004284S



V.SIVAKUMAR

Partner

Membership number: 022379

UDIN: 21022379AAABNF9311

Place: Chennai

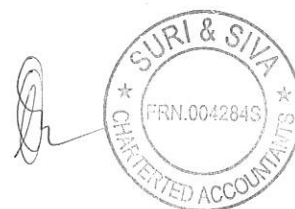
Date: 28.06.2021



ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

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

- (i) (a) the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets,
 - (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets,
 - (c) according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company, except in respect of certain immovable properties (land and buildings), which have been transferred to the Company as per a scheme of demerger are in the name of the erstwhile demerged company.
- (ii) The Management has conducted physical verification of Inventory at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) According to the information and explanations given to us, the company has not granted any loans, Secured or unsecured to the Companies, Firms and other parties covered in the register maintained under Section 189 of the Companies Act, 2013 and hence clause iii(a), iii(b) and iii (c) of the order are not applicable to the company for the year.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) In respect of deposits accepted, in our opinion and according to the information and explanations given to us, directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under, to the extent applicable, have been complied with. We are informed by the



management that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal.

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

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

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

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

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



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

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

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

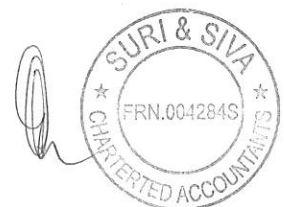
(xi) According to the information and explanations give to us and based on our examination of the records of the Company, The managerial remuneration of Rs 27, 69,647/- paid to the Executive Director for the period 29th July, 2020 to 31st March, 2021 during the financial year 2020-2021 is the minimum remuneration paid for the fourth year of inadequate profits during her tenure covering 29th July, 2017 to 28th July, 2022. The schedule V of the Companies Act and terms of appointment restricts the payment of minimum remuneration to a period of 3 years in the absence of adequate profits. However, the company has stated that the managerial remuneration is in compliance with schedule V of the companies Act 2013, subject to approval by the shareholders in its general meeting under Section 197 (10) of the Companies Act, 2013. (Refer note 53 to the financial statements.)

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

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

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

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



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

For Suri & Siva

Chartered Accountants

Firm Registration Number: 004284S



V.SIVAKUMAR

Partner

Membership number: 022379

UDIN: 21022379AAABNF9311



Place: Chennai

Date: 28.06.2021

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the internal financial controls over financial reporting of K.C.P. SUGAR AND INDUSTRIES CORPORATION LIMITED ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal



financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

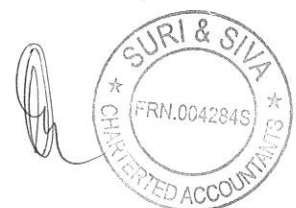
Meaning of Internal Financial Controls over Financial Reporting

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

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

Limitations of Internal Financial Controls over Financial Reporting

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



because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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



V.SIVAKUMAR
Partner
Membership number: 022379
UDIN: 21022379AAABNF9311



Place: Chennai
Date: 28.06.2021

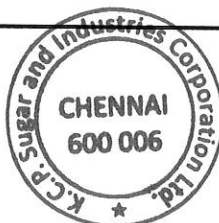
K.C.P.Sugar And Industries Corporation Ltd

Consolidated Financial statements

Balance Sheet as at March 31, 2021

Amount in Rupees

Particulars	As at March 31, 2021	As at March 31, 2020
ASSETS		
Non-current assets		
(a) Property, plant and equipment	910693432	917252901
(b) Capital work-in-progress	26473489	10826431
(c) Other Intangible assets	652328	1150553
(d) Intangible Asset under Development	4666902	4666902
(e) Financial assets		
(i) Investments	1090015421	749379679
(ii) Loans	4336410	4637695
(f) Deferred tax assets, (net)	45730541	0
(f) Other non-current assets	44559459	46396268
Current assets		
(a) Inventories	2615827528	3446665630
(b) Financial Assets		
(i) Investments	692726681	664307808
(i) Trade receivables	462995022	371196046
(ii) Cash and cash equivalents	43091620	89286421
(iii) Bank Balances other than (ii) above	92345452	103601411
(iv) Other financial assets	192508714	204380994
(c) Other current assets	126609432	145428236
Asset held for sale	78579550	
Total Assets	6431811981	6759176975
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share capital	113385050	113385050
(b) Other equity	3019552691	2778821480
LIABILITIES		
Non-current liabilities		
(a) Financial Liabilities		
(i) Borrowings	926454850	743197000
(i) Other Financial liabilities	9793613	7464513
(b) Provisions	97516594	96082853
(c) Other Non-Current liabilities		
(d) Deferred tax liabilities (net)	0	26783567
Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	1473328537	1518039308
(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	148114299	667191802
(iii) Other financial liabilities	524318659	707480289
(b) Other current liabilities	89722004	66463165
(c) Short Term provisions	21294146	25137675
(d) Current Tax Liabilities (Net)	8331538	9130273
Total Equity and Liabilities	6431811981	6759176975



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, 2021	For Year Ended March 31, 2020
Cash flows from operating activities		
Total Income for the Period(PBT)	171137401	-107540721
Adjustments:		0
- Interest income	-11771224	-15343527
- Loss/(Profit) on sale of fixed assets	-6797646	-13093
- Loss/(Profit) on sale of Investment	0	-827335
- Balance Written off	-19726	-793975
- Excess Provision Credited Back	-6812557	-1459709
- ECL from Trade Receivables	0	5678035
- Adjustment for OCI	-8078501	5586070
- Interest expense	238731506	214890585
- Dividend Income	-40282526	-42809774
- Loss from Partnership firm	-10322488	1330809
- Fair Value Adjustment	-301430855	115693106
- Depreciation and amortization	63626277	80359129
Operating cash flow before working capital changes	87979662	254749600
Changes in		
- Decrease/(Increase) In Trade Receivables	-91798976	-92546212
- Decrease/(Increase) In Inventory	830838103	340212467
- Decrease/(Increase) In Other current Financial Asset(s)	11986585	-150118421
- Decrease/(Increase) In Other current Asset(s)	16287808	38074862
- Decrease/(Increase) Loans - Non current	301285	-57235
- Decrease/(Increase) In Other non-current asset	1836809	-2302110
(Decrease)/Increase In Long term Provisions	8246297	13475975
(Decrease)/Increase In non-current liabilities	2329100	-3871679
(Decrease)/Increase In Trade Payables current	-519057778	-685071898
(Decrease)/Increase In other current liabilities	23287380	-27861653
(Decrease)/Increase In Other financial liabilities current	-183190171	333437909
(Decrease)/Increase In Short Term provisions current	-3843530	-336393
(Decrease)/Increase In Other Non Current Liabilities	0	329784000
Income taxes paid	-10767742	-77928043
Net Cash generated from / (used in) operations	86455171	14891569
Cash flows from investing activities		
Investment in Partnership firm	0	-4000000
Purchase of fixed assets	-167855236	-23083996
Proceeds from sale of fixed assets	23857695	23682
Dividend Income	40282526	42809774
Investment made in current and Non Current Investments	-28418874	-56347289
Decrease / (Increase) in Margin Money Deposits	11255961	9433346
Proceeds from sale of Investments	0	4804476
Interest received	11771224	15343527
Net cash generated from/(used in) investing activities [B]	-109106704	-11016480
Cash flows from financing activities		
Proceeds from / (repayment of) long term and short term borrowings	138547081	-4727142
Interest paid	-238731506	-214890585
Dividend paid	-11338505	-13669168
Net cash used in financing activities	-111522930	-233286895
Increase in cash and cash equivalents	-46194801	25337794
Cash and cash equivalents at the beginning of the year	89286421	63948627
Cash and cash equivalents at the end of the year	43091620	89286421
Components of cash and cash equivalents (refer note 11)		
Cash on hand	107546	1156073
Balances with banks	42984074	88130348
Total cash and cash equivalents	43091620	89286421



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

Irmgard Velagapudi
Irmgard Velagapudi
Managing Director

INDEPENDENT AUDITOR'S REPORT

To the Members of K.C.P. SUGAR AND INDUSTRIES CORPORATION LIMITED

Report on the Consolidated Financial Statements

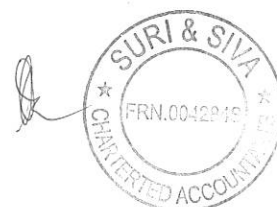
Opinion

We have audited the accompanying consolidated financial statements of K.C.P.SUGAR AND INDUSTRIES CORPORATION LIMITED (the "Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2021, 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 March 31, 2021, of consolidated Profit , consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended .

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.

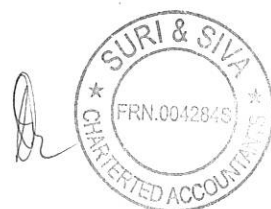
Key Audit Matters

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 report.

SL No	Key Audit Matters	Substantive Audit Procedures
1	Determination of net realizable value of inventory of sugar as at the year ended March 31, 2021 As on March 31, 2021, the Company has inventory of sugar with the carrying value Rs.210.71 crore. 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.	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 determination of cost, the Company has considered the prevailing market conditions. 5. 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

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report,



Corporate Governance and Shareholder's Information, but does not include the 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.

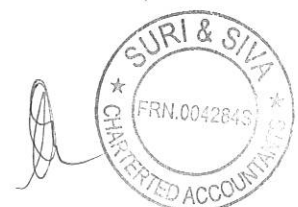
In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our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

Management's Responsibilities for the Consolidated Financial Statements

The Company's 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 Boards 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 Boards of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

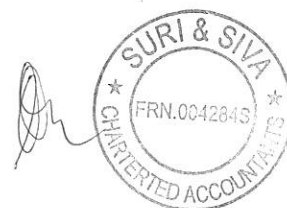


Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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 scepticism throughout the audit. We also:

- 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 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.

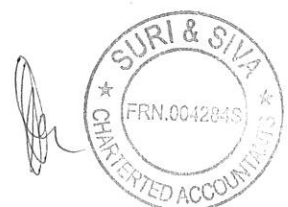
Report on Other Legal and Regulatory Requirements

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 March 31, 2021 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 March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act

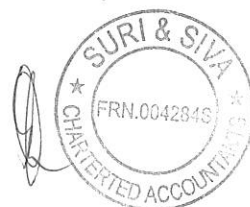
f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditor's reports of the company and its subsidiaries incorporated in India. Our 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:

The managerial remuneration of Rs 27,69,647/- paid to the Executive Director for the period 29th July, 2020 to 31st March, 2021 during the financial year 2020-2021 is the minimum remuneration paid for the fourth year of inadequate profits during her tenure covering 29th July, 2017 to 28th July, 2022. The schedule V of the Companies Act and terms of appointment restricts the payment of minimum remuneration to a period of 3 years in the absence of adequate profits. However, the company has stated that the managerial remuneration is in compliance with schedule V of the companies Act 2013, subject to approval by the shareholders in its general meeting under Section 197 (10) of the Companies Act, 2013. (Refer note 43 to the financial statements.)

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 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.

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



V.SIVAKUMAR

Partner

Membership number: 022379

UDIN: 21022379AAABND8150

Place: Chennai

Date: 28.06.2021



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")

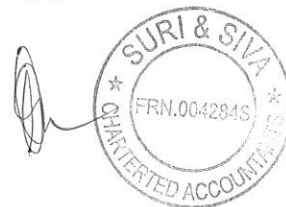
In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of K.C.P.SUGAR AND INDUSTRIES CORPORATION LIMITED (hereinafter referred to as "Company") and its 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 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 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 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 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 March 31, 2021, 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 Suri & Siva

Chartered Accountants

Firm Registration Number: 004284S



V.SIVAKUMAR

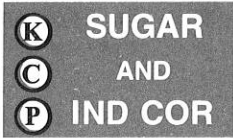
Partner

Membership number: 022379

UDIN: 21022379AAABND8150

Place: Chennai

Date: 28.06.2021



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

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

CIN - L15421TN1995PLC033198

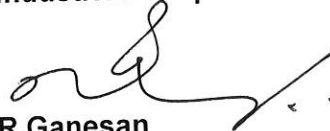
Declaration under Regulation 33 (3) (d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

I, R.Ganesan, 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.Suri & Siva, Chartered Accountants (FRN: 004284S) have issued an Audit Report (Standalone and Consolidated) with unmodified opinion on Audited Financial Results of the Company for the Financial Year ended 31/03/2021.

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

Place: Chennai
Date : 28/06/2021

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


R.Ganesan
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.

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