

24<sup>th</sup> June, 2021

To

National Stock Exchange of India Limited,  
Exchange Plaza, C-1, Block G,  
Bandra Kurla Complex,  
Bandra (E), Mumbai- 400 051

Dear Sir/Madam,

**Subject: Clarification regarding e-mail received from neaps@nse.co.in dated June 23, 2021 regarding inadequacy of quick results. Stock Symbol: KAPSTON; ISIN: INE542Z01010**

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With reference to your mail dated June 23, 2021, we hereby reply to your observations:

**1. Standalone Reconciliation of profit and loss not submitted.**

**Reply:** Reconciliation of profit & loss *for the year* ended 31<sup>st</sup> March, 2020 has been submitted as part of notes (note no. 3) to the financial results for the quarter and year ended March, 31, 2021 submitted to the stock exchange

However, we hereby resubmit a financial result for *the quarter and year* ended 31<sup>st</sup> March, 2021 along with revised note on *Reconciliation of profit & loss for the quarter and year* ended 31<sup>st</sup> March, 2020.

Particulars	Quarter ended 31.03.2020	Year ended 31.03.2020
	Rs. In Lakhs	Rs. In Lakhs
<b>Net profit under previous GAAP</b>	<b>378.61</b>	<b>1,019.76</b>
Impact on account of deferred taxes	-118.83	38.03
Impact on account of Interest on Lease	48.72	34.55
Impact on account of Depreciation on Lease	-26.15	-52.31
<b>Net profit under Ind AS</b>	<b>282.35</b>	<b>1,040.03</b>



**REGISTERED OFFICE:** #287, MIG -2, IX Phase, KPHB, Hyderabad, Telangana - 500 072, **Ph:** 98487 78241

**CORPORATE OFFICE:** Plot no: 75 , Kavuri Hills, Madhapur, Hyderabad, Telangana - 500 034, **Ph:** 9848778243

**Control Room:** +91 96 4050 4050 (24x7), **E-mail:** [info@kapstonfm.com](mailto:info@kapstonfm.com) **WEBSITE:** [www.kapstonfm.com](http://www.kapstonfm.com)

**CIN. No. L15400TG2009PLC062658**

## 2. Standalone Reconciliation of Equity not submitted

**Reply:** The Equity Reconciliation for the year ended March 31, 2020 as required under Indian Accounting Standards (IndAS) has already been disclosed as part of notes to financial results submitted for the half-year ended September 30, 2020. The said reconciliation is hereby reproduced here-in-below.

Particulars	As on 31/03/2020	As on 01/04/2019
	Rs. In Lakhs	Rs. In Lakhs
Equity as per Previous GAAP	4,494.34	3474.57
Impact on account of deferred taxes	0.80	-37.22
Impact on account of restatement of borrowings using EIR method	-0.74	-0.32
Impact on account of Lease Accounting	-17.33	0.00
<b>Equity as per INDAS</b>	<b>4,477.07</b>	<b>3,437.03</b>

However, we hereby resubmit financial result for *the quarter and year ended 31<sup>st</sup> March, 2021* along with revised Equity Reconciliation for *the year ended 31<sup>st</sup> March, 2020*.

Thanking you

For KAPSTON FACILITIES MANAGEMENT LIMITED

  
K.SRIKANTH  
MANAGING DIRECTOR  
DIN: 02464623



Encl: Audited Financial Statements for quarter and year ended March 31, 2021

**REGISTERED OFFICE:** #287, MIG -2, IX Phase, KPHB, Hyderabad, Telangana - 500 072, **Ph:** 98487 78241

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**CIN. No. L15400TG2009PLC062658**

**M/S.KAPSTON FACILITIES MANAGEMENT LIMITED**  
**CIN:L15400TG2009PLC062658**  
**NO.287, MIG-2, IX PHASE, KPHB, KUKATPALLY, HYDERABAD - 500072**  
**Cash flow statement for Year ended 31st March 2021**

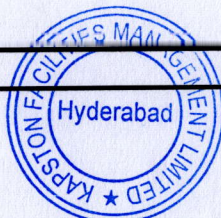
Rs. In Lakhs

Particulars	As at	As at
	31.03.2021	31.03.2020
	Audited	Audited
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net profit before taxation, and extraordinary items	814.72	1,053.57
Adjusted for :		
Interest debited to P&L A/c	519.66	443.50
Gratuity Provision	76.78	135.99
Profit on Sale Fixed Assets	-	-1.08
Depreciation	357.02	256.71
<b>Operating profits before working capital changes</b>	<b>1,768.18</b>	<b>1,888.69</b>
<b>Changes in current assets and liabilities</b>		
Inventories	-14.35	-67.01
Sundry debtors	47.21	-2,278.56
Other current financial and current assets	358.55	-589.48
Sundry Creditors	11.74	152.71
Other Current Liabilities and current financial liabilities	70.82	234.39
Other Short Term Provisions/Long term Provisions	-99.50	-0.62
<b>Cash generated from operations</b>	<b>2,142.65</b>	<b>-659.87</b>
Income tax paid	-641.53	-410.97
<b>Net cash generated from operating activities</b>	<b>1,501.11</b>	<b>-1,070.84</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of fixed assets and change in capital wip	-285.90	-757.44
Sale of Fixed Assets	4.65	3.79
<b>Net cash used in investing activities</b>	<b>-281.26</b>	<b>-753.66</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
<b>Secured and Unsecured Loans</b>		
Proceeds/(Repayment) of Long Term Borrowings	676.65	215.43
Proceeds/(Repayment) of short Term Borrowings from other than banks	-	-150.00
Interest paid	-519.66	-443.50
Dividend Paid	-101.44	-
<b>Net cash generated in financing activities</b>	<b>55.55</b>	<b>-378.06</b>
<b>D. Net increase / (decrease) in cash and cash equivalents</b>	1,275.40	-2,202.56
<b>E. Cash and cash equivalents at the beginning of the year</b>	-3,690.05	-1,487.49
<b>F. Cash and cash equivalents at the end of the year</b>	<b>-2,414.64</b>	<b>-3,690.05</b>

**Notes:**

**1) Cash and Cash equivalents includes:**

Particulars	As at	As at
	31.03.2021	31.03.2020
Cash on hand	35.09	7.33
<b>Cash Equivalents</b>		
Current accounts	247.28	145.76
Deposit accounts	158.00	10.00
Deposits against Bank Guarantee	137.41	78.67
Short Term Borrowings from banks	(2,992.43)	(3,931.81)
	<b>(2,414.65)</b>	<b>(3,690.05)</b>



**KAPSTON FACILITIES MANAGEMENT LIMITED**

CIN:L15400TG2009PLC062658

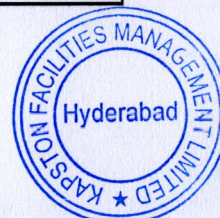
NO.287, MIG-2, IX PHASE, KPHB, KUKATPALLY, HYDERABAD - 500072

**Statement of Asset and liabilities As on 31-03-2021**

**Rs. In Lakhs**

Particulars	As at March 31,2021	As at March 31,2020
	Audited	Audited
<b>ASSETS</b>		
<b>(1) Non-current assets</b>		
a) Property plant and Equipment	913.22	890.91
b) Right of Use Asset	366.16	470.77
b) Investment Properties	1,121.52	1,114.98
c) Deferred Tax Assets ( Net)	301.26	340.70
d) Other Non current Assets		
<b>Total Non current Assets</b>	<b>2,702.16</b>	<b>2,817.36</b>
<b>(2) Current assets</b>		
(a) Inventories	297.21	282.86
(b) Financial assets		
(i) Trade receivables	6,384.58	6,431.78
(ii) Cash and cash equivalent	577.78	241.77
(iii) Bank Balance other than (ii) above	-	-
(iv) Other financial assets	1,043.71	1,078.72
c) Other current assets	1,360.03	1,199.98
<b>Total Current Assets</b>	<b>9,663.31</b>	<b>9,235.10</b>
<b>Total Assets</b>	<b>12,365.47</b>	<b>12,052.46</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
a) Equity Share Capital	1,014.41	1,014.41
b) Other Equity	4,075.70	3,462.66
	<b>5,090.11</b>	<b>4,477.07</b>
<b>LIABILITIES</b>		
<b>1) Non-current liabilities</b>		
a) Financial Liabilities		
(i) Borrowings	1,450.85	847.31
(ii) Other Financial Liabilities	409.27	488.10
b) Provisions	93.59	108.30
<b>Total Non current Liabilities</b>	<b>1,953.71</b>	<b>1,443.71</b>
<b>2) Current liabilities</b>		
a) Financial Liabilities		
i) Borrowings	2,992.43	3,931.81
ii) Trade payables	402.11	390.37
iii) Other financial liabilities	337.58	162.27
b) Other current liabilities	1,512.75	1,562.45
c) Provisions	76.77	84.78
d) Current Tax Liabilities ( Net)	0.00	-
<b>Total Current Liabilities</b>	<b>5,321.64</b>	<b>6,131.68</b>
<b>Total Liabilities</b>	<b>12,365.47</b>	<b>12,052.46</b>

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**KAPSTON FACILITIES MANAGEMENT LIMITED**  
CIN:L15400TG2009PLC062658  
NO.287, MIG-2, IX PHASE, KPHB, KUKATPALLY, HYDERABAD - 500072  
Statement Of Audited Financial Results for the Quarter and Year ended 31.03.2021

PARTICULARS	Rs. In Lakhs				
	Quarter Ended			Year Ended	
	31.03.2021 (Audited)	31.12.2020 (Un Audited)	31.03.2020 (Audited)	31.03.2021 (Audited)	31.03.2020 (Audited)
<b>Income:</b>					
Revenue From Operations	5740.76	5,436.30	5,948.37	21,303.86	21,339.27
Other Income	15.84	7.72	5.81	38.44	28.37
<b>Total Revenue</b>	<b>5,756.60</b>	<b>5,444.02</b>	<b>5,954.18</b>	<b>21,342.30</b>	<b>21,367.64</b>
<b>Expenses:</b>					
Cost of Materials consumed	89.35	108.94	106.54	383.20	445.72
Employee Benefits Expense	5192.31	4,615.97	5,064.13	18,712.73	18,498.71
Finance costs	181.79	117.59	124.62	519.66	443.50
Depreciation & Amortisation Expense	30.75	132.73	105.66	357.02	256.71
Other Expenses	156.70	160.15	250.49	554.97	669.44
<b>Total Expenses</b>	<b>5,650.90</b>	<b>5,135.38</b>	<b>5,651.44</b>	<b>20,527.58</b>	<b>20,314.07</b>
<b>Profit/(Loss) Before Tax</b>	<b>105.70</b>	<b>308.64</b>	<b>302.74</b>	<b>814.72</b>	<b>1,053.57</b>
Less: Current Tax	115.31	25.03	33.20	157.94	160.96
Less: Deferred Tax Asset	-15.81	86.55	-36.80	14.99	(171.41)
<b>Profit/(Loss) after tax for the period/year</b>	<b>6.20</b>	<b>197.06</b>	<b>306.34</b>	<b>641.79</b>	<b>1,064.02</b>
<b>Other comprehensive income (OCI)</b>					
(a) (i) Items that will not be reclassified to profit or loss	97.15	-	(32.06)	97.15	(32.06)
(ii) Tax on items that will not be reclassified to profit or loss	-24.45	-	8.07	-24.45	8.07
(b) (i) Items that will be reclassified to profit or loss	0.00	-	-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss	0.00	-	-	-	-
<b>Total Other Comprehensive income</b>	<b>72.70</b>	<b>0.00</b>	<b>-23.99</b>	<b>72.69</b>	<b>(23.99)</b>
<b>Total Comprehensive income for the period</b>	<b>78.90</b>	<b>197.06</b>	<b>282.35</b>	<b>714.48</b>	<b>1,040.03</b>
<b>Paid Up Equity Share Capital (Face Value of Rs.,10/- each)</b>	<b>1,014.41</b>	<b>1,014.41</b>	<b>1,014.41</b>	<b>1,014.41</b>	<b>1,014.41</b>
<b>Reserves excluding Revaluation Reserves</b>				<b>4,075.70</b>	<b>3,462.66</b>
<b>Earnings Per Equity share (Not Annualised)</b>					
(1) Basic	0.06	1.94	3.02	6.33	10.49
(2) Diluted	0.06	1.94	3.02	6.33	10.49

See accompanying notes to financial results

- The above results were recommended by the Audit Committee and approved by the Board of Directors at its meeting held on 12.06.2021
- The Company has adopted Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 from 1st April 2020 and the effective date of such transition is 01st April 2019. Such transition has been carried out from the erstwhile Accounting Standards notified under the Act, read with relevant rules issued thereunder (collectively referred to as the previous GAAP). Accordingly, the impact of the transition has been recorded in the opening reserves as at 01st April 2019 and the corresponding figures presented in these results have been restated / reclassified.  
However, in view of the evolving nature of the Financial Reporting requirements and modifications to the existing Standards, the financial results for both the current and previous periods may undergo changes in line with such regulatory/legislative changes.
- As required by paragraph 32 of Ind AS 101, net profit reconciliation between the figures reported under Previous GAAP and Ind AS for Year ended 31.03.2020 is as under:

Particulars	Quarter ended	Year ended
	31.03.2020	31.03.2020
	Rs. In Lakhs	Rs. In Lakhs
Net profit under previous GAAP	378.61	1,019.76
Impact on account of deferred taxes	-118.83	38.03
Impact on account of Interest on Lease	48.72	34.56
Impact on account of Depreciation on Lease	-26.15	-52.31
<b>Net profit for under Ind AS</b>	<b>282.35</b>	<b>1,040.03</b>

**3.1 Reconciliation between Equity as per Ind GAAP and Ind AS**

Particulars	Rs. In Lakhs	
	As on	As on
	31/03/2020	01/04/2019
Equity as per Previous GAAP	4,494.34	3,474.58
Impact on account of deferred taxes	0.80	-37.22
Impact on account of restatement of borrowings using EIR method	-0.74	-0.32
Impact on account of Lease	-17.33	0.00
<b>Equity as per INDAS</b>	<b>4,477.07</b>	<b>3,437.03</b>

- The entire operations of the Company relate to only one segment i.e manpower supply for Security, Housekeeping and Staffing. Hence, segment reporting as per IND AS-108 is not made.
- "Employee Expenses" and "Other Expenses" have gone up for the Quarter Ended 31st March 2021 due to hiring of new Employees for the STAFFING VERTICLE and opening of new offices at New Delhi, Kolkatta, Pune, Mumbai, and Bhuvanesarwar to expand the operations on pan India basis.
- The financial results of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) rules 2016.
- The Financial results are reviewed by the Statutory Auditors of the Company as per Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.
- Estimation uncertainty relating to the global health pandemic on COVID-19  
The management has considered the possible effects, if any, that may result from the pandemic relating to COVID - 19 on the carrying amounts of trade receivables and inventories. In assessing the recoverability of receivables, the Company has considered internal and external information upto the date of approval of these financial results including credit reports and economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial results and the Company will continue to closely monitor any material changes and future economic conditions.
- The figures for the quarter ended March 31,2021 and quarter ended March 31,2020 are the balancing figures between the audited figures in respect of the full financial year ended March 31,2021 and March 31,2020, respectively and the published year to date figures up to third quarter ended December 31,2020 ad December 31,2019, respectively which were subject to a limited review.
- Previous period / year figures have been regrouped/reclassified, where necessary, to conform to the current period / year classification.

Date : 12.06.2021  
Place:Hyderabad

By and on behalf of the Board



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