

K.C.P. SUGAR AND INDUSTRIES CORPORATION LIMITED
 CIN: L1521TN1995PLC033198
 "Ramakrishna Buildings" 239 Anna Salai
 Chennai 600 006.
 Phone No. 044-28555 171 – 176 Fax 044-2854 6617
 Website : www.kcpsugar.com, Email ID: kcpsugar@vsnl.com



DEPOSIT SCHEMES
(Unsecured)
For Public and Shareholders w.e.f.15.10.2018
DPT-1

Circular in the form of advertisement inviting deposits from Public/Shareholders pursuant to section 73(2)(a) and section 76 of the Companies Act. 2013 and rule 4(2) of the Companies (Acceptance of Deposits) Rules, 2014.

The company invites and accepts deposits on the following terms:

Scheme - I (Fixed Deposit)				Scheme - II (Cumulative Deposit)			
Period	Rate of interest p.a.	Minimum amount of deposit	Interest payable	Period	Rate of interest p.a.	Minimum amount of deposit	Interest payable (compounded quarterly)
2years	8.50%	Rs.25000	Quarterly	3years only	9.00%	Rs.25000	On maturity
3years	9.00%	Rs.25000	Quarterly				

1. GENERAL INFORMATION

	Name of Company	K.C.P Sugar and Industries Corporation Limited
a.	Address, website and other contact details of the Company	Registered office: "Ramakrishna Buildings" 239 Anna Salai, Chennai 600006. Ph:044-28555171-176 Fax: 044-28546617, email:kcpsugar@vsnl.com Website:www.kcpsugar.com
b.	Date of incorporation of the Company	11.10.1995
c.	Business carried on by the Company and its subsidiaries with the details of branches or units, if any:	Manufacturers of Sugar, Industrial Alcohol, Anhydrous alcohol, Extra neutral alcohol, Carbon-dioxide, Calcium Lactate, Bio-fertilizers, Bio-Compost & Mycorriza inoculum. Units at: Vuyyuru 521 165 & Lakshmpuram 521 131 Krishna Dist AP Wholly owned subsidiaries: The Eimco-kcp Ltd, manufactures of solid liquid separation equipments. Works at 11A 3 rd Main Road, Industrial Estate Ambattur, Chennai 600 058. KCP Sugars Agriculture Research Farms Ltd. Engaged in research and development activities on sugar cane and other agricultural products. Farm at Tirupukuzhi & Melambi Village, Kancheepuram Dist, Tamil Nadu
d.	Brief particulars of Management of the Company:	The company is managed by Managing Director, Executive Chairman and Executive Director under the supervision, control and direction of the Board of Directors.

e. Names, addresses, DIN and occupations of the Directors;			
Name of Director	DIN	Address (Residential)	Occupation
Smt Irmgard Velagapudi M Rao	00091370	No.15, Damodrapuram Main Road, Adyar, Chennai 600 020	Managing Director
Sri Vinod R Sethi	00106598	No.11 3 rd Street, Kasturi Estate, Chennai 600 086	Executive Chairman
Smt V Kiran Rao	00091466	No.11 3 rd Street, Kasturi Estate, Chennai 600 086	Executive Director
Sri K R Adivarahan	00019844	No.12 (old No.23) Krishnapuri 2 nd Street, R A Puram, Chennai 600 028	Company Director
Sri Ranvir R Shah	00041398	No.21 South Mada Street, Srinagar Colony Saidapet, Chennai 600 015	Company Director
Dr Vithal Rajan	00021571	No.1-2-16/11 1 st Street, Habsiguda, Hyderabad 500 067	Company Director
Sri M S V M Rao	00432640	Flat No.202 C-Block, Sri Nilaya Asian Manor Apartments, Road No.2, Banjara Hills(Behind Kotak Bank) Hyderabad 500 034	Company Director
Sri Pratap K Moturi	00020630	No.25-C Ranjith Street, Kotturpuram, Chennai 600 085	Company Director
f.	Management perception of risk factors;	<p>The company has two schemes deposits viz., Fixed / Cumulative Deposits and both are unsecured. The Company has unblemished track record of servicing the depositors till date without any default either in repayment of deposits or in payment of interest.</p> <p>The Company has deposited 20% of the amount of deposits maturing in the financial year 2018-19 in a separate bank account with Corporation Bank, Chennai 600 014 on 27.04.2018 & 11.05.2018 in pursuance of sec 73 (2) (c) of Companies Act, 2013.</p> <p>Credit Analysis and Research Limited (CARE) have reaffirmed CARE A (FD) [single A (Fixed Deposit)] which denotes adequate degree of safety regarding timely servicing of financial Obligations and carry low credit risk.</p>	
g.	Details of default, including the amount involved, Duration of default and present status, in repayment of		
	i) statutory dues	Nil	
	ii) debentures and interest thereon	NA	
	iii) loan from any bank or financial institution and interest thereon	Nil	

2. PARTICULARS OF THE DEPOSIT SCHEME

a.	Date of passing resolution	26.05.2014
b.	Date of passing resolution in the general meeting authorising the invitation of such deposits;	11.09.2014
c.	Type of deposits, i.e. whether secured or unsecured;	Unsecured
d.	Amount which the Company can raise by way of deposits as per the Act and the rules made there under	Rs. 89,27,12,160/- From Public (25% of the aggregate paid up capital & free reserves Rs.63,76,51,543) From shareholders (10% of the aggregate paid up capital & free reserves Rs.25,50,60,617)
	i) The aggregate of deposits actually held on the last day of the immediately preceding financial year (31.03.2018)	Rs. 68,78,48,000/-

	ii) The aggregate of deposits actually held on the date of issue circular / advertisement (14.09.18)	
	iii) Amount of deposits proposed to be raised	Rs.89,27,12,160/-
	iv) Amount of deposits repayable within the next twelve months	Rs.27,07,75,000/-
e.	Terms of raising deposits:	
	Minimum amount	Rs.25000/- and thereafter in multiples of Rs.1000/- only
	Term of deposits:	Two / Three years
	Scheme1 : Fixed deposit	Two / Three years interest payable quarterly
	Rate of interest	8.50% p.a. for 2years deposit 9.00% for 3years
	Scheme 2 : Cumulative deposit.	Three years only. Interest payable on maturity compounded quarterly
	Rate of interest	9.00% p.a.
	Interest payable	Interest on deposit under scheme 1 will be payable every quarter on 30 th June, 30 th September, 31 st December & 31 st March. Interest under scheme 2 will be payable on maturity, interest compounded quarterly. Interest will be payable by way of warrants / payable at par by specified branches of Kotak Mahindra Bank.
	Repayment of principal amount	Deposits will be repayable on maturity on surrender of duly discharged deposit receipt by way of account payee cheques payable at par. Premature repayment of deposits after the expiry of a period of six month from the date of such deposit but the before the expiry of the period for which such deposit was accepted is permitted subject to the compliance with the extant provisions of Companies (Acceptance Deposits) Rules 2014.
	Mode of payment	Deposits will be accepted only through account payee cheques / demand drafts drawn on Chennai banks favouring K.C.P Sugar and Industries Corporation Limited. Demand draft charges are not deductible from the principal. No deposits will be accepted by way of cash and out station cheques will not accepted
	Renewal of deposits	Renewal of deposits will be considered on submission of fresh application accompanied by the duly discharged deposit receipt. Renewal will be accepted for the principal amount only
f.	Proposed time schedule mentioning the date of opening of the Scheme and time period for which the circular or advertisement is valid;	<p>The present validity period for Acceptance of Deposits as per DPT-1 submitted to ROC on 15.09.2017 is from 15.09.2017 till the date of 23rd Annual General Meeting, viz, 14.09.2018.</p> <p>As per provisions of Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014, on approval of Form DPT-1 in the Meeting of Board of Directors on 14.09.2018, e-filing of the same with ROC will be on same day. The Company will temporarily suspend acceptance / renewal of deposits for a period of thirty days from 15.09.2018 to 14.10.2018. Circular in the form of advertisement (DPT-1) will be released in the Financial Express and Malai Sudar (Tamil) on 15.10.2018, and Acceptance / renewal of deposits will commence on 15.10.2018.</p> <p>This Circular in the form of Advertisement shall be valid until the expiry of six months from the date of closure of financial year 2018-19 or until the date on which the financial statement is laid before the Company in Annual General Meeting for the financial year 2018-19.</p>
g.	Reasons or objects of raising the deposits	To support business operations.

h.	Credit rating obtained	
	a) Name of credit rating Agencies	Credit Analysis and Research Limited
	b) Rating obtained	CARE A (FD)[single A (Fixed Deposit)]
	c) Meaning of the rating obtained & date of which obtained	Adequate degree of safety regarding timely servicing of financial Obligations and carry low credit risk.
i.	Extent of deposit insurance:	In pursuance of MCA Notification No GSR 612(E) dated 07.05.2018 and Companies (Acceptance of Deposits) Amendment rules 2018. Deposit Insurance is not statutorily required for Acceptance/Renewal of Deposits since Rule No 5 and Rule No 14(1)(e) of Companies (Acceptance of Deposits) rule 2014 have been omitted under the said notification.
	a) Name of insurance Company	
	c) Terms of insurance coverage	
	d) Duration if coverage	
	e) extent of coverage	
	Procedure for claim in case of default etc.	
j.	Short particulars of the charge created or to be created for securing such deposits, if any	Not applicable
k.	Any financial or other material interest of the directors, promoters or key managerial personnel in such deposits and the effect of such interest in so far as it is different from the interests of other persons.	None of the directors, promoters, key managerial personnel and their relatives are concerned or interested except to the extent of deposit if any they hold in the Company

3. DETAILS OF ANY OUTSTANDING DEPOSITS

a.	Amount outstanding as on 31.03.2018	Rs.68,78,48,000
b.	Date of acceptance	Accepted on different dates
c.	Total amount accepted	Rs.68,78,48,000
d.	Rate of interest	8.5% for 2years and 9% for 3years
e.	Total number of depositors	
f.	Default, if any, in repayment of deposits and payment of interest thereon, if any including number of depositors, amount and duration of default involved;	Nil
g.	Any waiver by the depositors, of interest accrued on deposits	Nil

4. FINANCIAL POSITION OF THE COMPANY

a.	Profits of Company, before and after making provisions for tax, for the three financial years immediately preceding the date of issue of circular or advertisement	Profit (amount in Rs.)					
		31.03.2016		31.03.2017		31.03.2018	
		Before taxation	After taxation	Before taxation	After taxation	Before taxation	After taxation
		(27,54,25,008)	(161729515)	698854957	548874817	(73475576)	83652974

b.	Dividends declared by the company in respect of the financial years, interest coverage ratio for last three years (cash profit before tax plus interest paid or interest payable)	For the year ended	Dividend declared	Dividend (%)	Interest coverage ratio
		31.03.2016	2,83,46,263	25	3.78
		31.03.2017	10,20,46,545	90	8.01
		31.03.2018	1,13,38,505	10	1.11

Profit before Taxation, Profit after Taxation and Interest coverage ratio for the Financial year 2016-2017 and 2017-2018 are as per IND AS adopted from financial year 2017-2018

c. A summary of the financial position of the company as in the three audited balance sheets
Immediately preceding the date of issue of circular or advertisement.

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
ASSETS			
Non-current assets			
(a) Property, plant and equipment	926,787,718	991,811,869	966,482,605
(b) Capital work-in-progress	2,923,297	9,201,720	6,078,214
(c) Other Intangible assets	8,709,034	12,498,299	15,394,027
(d) Non-current financial assets			
(i) Investments	872,348,185	622,907,000	328,214,453
(ii) Other non current financial assets	45,888,752	43,917,042	8,614,600
(e) Deferred tax assets (net)	33,580,753	-	-
Current assets			
(a) Inventories	2,075,382,060	2,194,991,163	2,674,727,798
(b) Financial Assets			
(i) Current Investments	934,064,175	793,628,844	-
(ii) Trade receivables	225,940,320	232,877,136	442,059,144
(iii) Cash and cash equivalents	23,059,461	19,274,467	74,777,592
(iv) Bank Balances other than (iii) above	72,052,112	65,288,990	69,495,748
(v) Other current financial assets	10,508,029	3,486,552	3,572,788
(c) Other current assets	177,568,540	105,162,301	90,062,849
Total Assets	5,408,812,436	5,095,045,383	4,679,479,818
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	113,385,050	113,385,050	113,385,050
(b) Other equity	2,437,221,121	2,476,955,324	1,962,368,930
LIABILITIES			
Non-current liabilities			
(a) Financial Liabilities			
(i) Long term Borrowings	403,524,000	495,515,292	367,217,724
(ii) Other Non- Current Financial liabilities	11,336,213	14,529,379	19,088,089
(b) Long term Provisions	52,293,324	47,805,739	41,378,108
(c) Deferred tax liabilities (net)	-	123,839,581	73,931,803
Current liabilities			
(a) Financial Liabilities			
(i) Short term Borrowings	1,605,965,451	808,409,132	549,658,565
(ii) Trade payables	547,486,215	577,169,481	1,129,235,225
(iii) Other financial liabilities	178,287,134	218,555,346	171,937,913
(b) Other current liabilities	32,733,326	177,597,575	240,933,884
(c) Short Term provisions	13,073,331	11,951,435	10,344,527
(d) Current Tax Liabilities (Net)	13,507,271	29,332,049	-
Total Equity and Liabilities	5,408,812,436	5,095,045,383	4,679,479,818

d. Cashflow Statement:

Particulars	For Year Ended March 31, 2018	For Year Ended March 31, 2017
Cash flows from operating activities		
Total Income for the Period(PBT)	-73,475,576	698,854,957
Adjustments:		
- Interest income	-373,170	-
- Loss/(Profit) on sale of fixed assets	90,387	-123,117
- Gain on sale of Investments	-73,237,665	-
- Adjustment for Prior period taxes		
- Adjustment for OCI	-858,188	-245,040
- Interest expense	19,520,452	28,072,569
- Provision for Dividend(s)	-122,820,773	-34,116,895
- Fair Value Adjustment	-400,950,278	-277,999,495
- Depreciation and amortization	89,406,418	91,832,303
Operating cash flow before working capital changes	-562,698,392	506,275,281
<i>Changes in</i>		
- Decrease/(Increase) In Trade Receivables	6,936,815	209,182,007
- Decrease/(Increase) In Inventory	119,609,104	479,736,635
- Decrease/(Increase) In Other current Financial Asset(s)	-7,021,477	86,235
- Decrease/(Increase) In Other current Asset(s)	-72,406,239	-15,099,452
- Decrease/(Increase) In non-current trade receivables	-	-
- Decrease/(Increase) In Other non-current financial assets	-1,971,710	-35,302,442
- Decrease/(Increase) In Other non-current asset	-	-
(Decrease)/Increase In Long term Provisions	4,487,585	6,427,631
(Decrease)/Increase In non-current liabilities	-	-
(Decrease)/Increase In Trade Payables current	-29,683,266	-552,065,744
(Decrease)/Increase In other current liabilities	-144,864,249	-63,336,309
(Decrease)/Increase In Other financial liabilities current	-40,268,212	46,617,432
(Decrease)/Increase In Short Term provisions current	1,121,896	1,606,908
(Decrease)/Increase In Other Non Current Liabilities	-3,193,166	-4,558,711
Income taxes paid	-15,824,778	-70,666,802
Cash generated from / (used in) operations	-745,776,090	508,902,670
Cash flows from investing activities		
Purchase of fixed assets	-15,619,353	-117,445,093
Proceeds from sale of fixed assets	1,214,387	178,866
Investment made in current and Non Current Investments	-512,629,933	-810,321,896
Proceeds from sale of Investments	596,941,361	-
Interest received	373,170	-
Net cash generated from/(used in) investing activities [B]	70,279,631	-927,588,123
Cash flows from financing activities		
Proceeds from / (repayment of) long term and short term borrowings	705,565,026	387,048,136
Preference dividend paid (including dividend distribution tax)		
Interest paid	-19,520,452	-28,072,569
Net cash used in financing activities	686,044,574	358,975,567
Increase in cash and cash equivalents	10,548,116	-59,709,886
Cash and cash equivalents at the beginning of the year	84,563,457	144,273,341
Cash and cash equivalents at the end of the year	95,111,573	84,563,455
	95,111,573	84,563,455
Components of cash and cash equivalents (refer note 10)		
Cash on hand	1,837,429	1,305,202
Balances with banks	93,274,144	83,258,255
Total cash and cash equivalents	95,111,573	84,563,457

5. DECLARATION BY THE DIRECTORS THAT





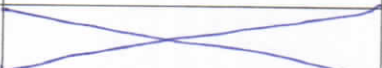

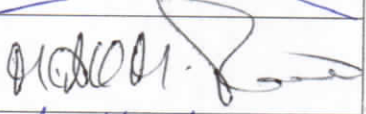
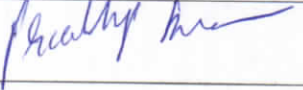
- a. The Company has not defaulted in the repayment of deposits accepted either before or after the Commencement of the Act or payment of interest thereon; Auditors certificate in this connection is also filed alongwith Form DPT-1.
- b. The Board of Directors has satisfied itself fully with respect to the affairs and prospects of the Company and that they are of the opinion that having regard to the estimated future financial position of the Company, the Company will be able to meet its liabilities as and when they become due and that Company will not become insolvent within a period of one year from the date of issue of the circular or advertisement.
- c. The Company has complied with the provisions of the Act and the rules made there-under;
- d. The compliance with the Act and the rules does not imply that repayment of deposits is guaranteed by the Central Government.
- e. The Shareholders approved the acceptance / renewal of deposits at the 19th Annual General Meeting held on 11.09.2014. The Company had filed E-form GNL-2 for submission of Form DPT-1 (Circular or Circular in the form of Advertisement inviting deposits) pursuant to section 73(2)(a) and section 76 read with Rule 4 of the Companies (Acceptance of Deposits) Rules, 2014, vide SRN No.C-20111779 dt. 12.09.2014. Subsequently the Company is regularly filling circular in the form of Advertisement inviting Deposits (DPT-1) within the stipulated time every year.
- f. Credit rating for deposits: Credit Analysis and Research Limited (CARE) have reaffirmed CARE A (FD) [single A (Fixed Deposit)] which denotes adequate degree of safety regarding timely servicing of financial Obligations and carry low credit risk.

In case of any adverse change in credit rating, depositors will be given a chance to withdraw deposits without any penalty.

- g. The deposits shall be used only for the purposes indicated in the circular or circular in the form of advertisement.
- h. The deposits accepted by the Company are unsecured and rank pari-passu with other unsecured liabilities of the Company.

All the Directors present at the Board Meeting held on 14.09.2018 unanimously approved the Circular in the form of Advertisement (DPT-1) inviting deposits from Public/Share Holders

NOTE: The text of this advertisement has been approved by the Board of Directors of the Company at its Meeting held on 14.09.2018. A copy of the advertisement (Form No.DPT1) signed by all the Directors present at the said meeting has been filed with the Registrar of Companies, Chennai on 14.09.2018 as required under sec 73(2) (b) of the Companies Act, 2013 read with Rule, 4 (5) of the Companies (Acceptance of Deposits) Rules, 2014. This advertisement issued on the authority and in the name of Board of Directors of the Company.

NAME OF DIRECTOR	DESIGNATION	SIGNATURE
Smt. Irmgard Velagapudi M. Rao	Managing Director	
Sri Vinod R Sethi	Executive Chairman	
Smt. V. Kiran Rao	Executive Director	
K. R. Adivarahan	Independent Director	
Sri Ranvir R Shah	Independent Director	
Dr. Vithal Rajan	Independent Director	
Sri. M S V M Rao	Independent Director	
Sri. Pratap K Moturi	Independent Director	

(BY ORDER OF THE BOARD)



Place : Chennai
Date : 14.09.2018

For K.C.P Sugar and Industries Corporation Limited
IRMGARD VELAGAPUDI M RAO
Managing Director

Applications for Acceptance and Renewal of Deposits are available at

1. K.C.P Sugar and Industries Corporation Limited, Registered office at "Ramakrishna Buildings"
No.239 Anna Salai, Chennai 600 006, Ph 044-28555 171 – 176
2. Factory at Vuyyuru, Krishna Dist AP Pin 521 165
3. Factory at Lakshmipuram, Krishna Dist AP 521 131
4. Registered Brokers