

**K.C.P.SUGAR AND INDUSTRIES CORPORATION LIMITED****CIN: L15421TN1995PLC033198**"Ramakrishna Buildings", No.239, Anna Salai,  
Chennai - 600 006.

Phone No.: 044-28555 171 – 176 Fax: 044-2854 6617

Website: [www.kcpsugar.com](http://www.kcpsugar.com), Email Id: finance@kcpsugar.com**DEPOSIT SCHEMES****(Unsecured Deposits)****For Public and Shareholders w.e.f. 05/04/2021****(For Renewal of Existing Deposits only)****Form DPT - 1**

**Circular in the form of advertisement inviting Deposits (only for renewal of existing 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 (only renewal of existing 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)
2 Years	8.00%	Rs.25000	Quarterly	3 Years only	8.50%	Rs.25000	On maturity
3 Years	8.50%	Rs.25000	Quarterly				

**1. GENERAL INFORMATION**

a.	Name of Company	K.C.P.Sugar and Industries Corporation Limited
	Address, Website and other contact details of the Company	Registered Office: "Ramakrishna Buildings", No.239, Anna Salai, Chennai – 600 006. Phone No. : 044-28555171-176 Fax : 044-28546617 email Id :finance@kcpsugar.com Website : <a href="http://www.kcpsugar.com">www.kcpsugar.com</a>
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	<p>Manufacturers of Sugar, Industrial Alcohol, Ethanol, Bio-Fertilisers, Carbon-di-oxide, Calcium Lactate and Incidental Cogeneration Power.</p> <p>Units at: Vuyyuru and Lakshmipuram, Krishna District, Andhra Pradesh.</p> <p><u>Wholly owned Subsidiaries:</u></p> <p><b>(i) The Eimco – K.C.P. Limited</b> Manufactures of solid liquid separation equipments.</p> <p>Works at 11-A, 3<sup>rd</sup> Main Road, Industrial Estate, Ambattur, Chennai – 600 058.</p> <p><b>(ii) KCP Sugars Agricultural Research Farms Limited</b> Engaged in research and development activities in agricultural sector.</p> <p>Farms at Thirupukuzhi and Melambi Villages, Kanchipuram District, Tamil Nadu</p>		
d.	Brief particulars of Management of the Company	The Company is managed by the Managing Director of the Company under the supervision, control and direction of the Board of Directors of the Company.		
e.	Names, Addresses, DIN and Occupations of the Directors			
Name of the Director		DIN	Address (Residential)	Occupation
Ms.Irmgard Velagapudi		00091370	No.15, Damodarapuram Main Road, Adyar, Chennai – 600 020	Managing Director
Mr.Vinod R Sethi		00106598	No.2, 3 <sup>rd</sup> Street, Poes Garden, Gopalapuram, Chennai – 600 086	Executive Chairman
Ms.Kiran Velagapudi		00091466	No.11, 3 <sup>rd</sup> Street, Kasturi Estate, Gopalapuram, Chennai – 600 086	Executive Director
Mr.K.R.Adivarahan		00019844	No.12, Krishnapuri, II Street, R.A.Puram, Chennai – 600 028	Independent Director
Dr.Vithal Rajan		00021571	No.1-2-16/11, Block B, 1 <sup>st</sup> Street, Habsiguda, Hyderabad – 500 007	Independent Director
Mr.M.S.V.M.Rao		00432640	Flat No. 202, Sri Nilaya Asia Manor Apartments, C Block, Road No.2, Khairatabad, Banjara Hills, Hyderabad – 500 034	Independent Director

Mr.Pratap K.Moturi	00020630	No.25-C, Ranjith Road, Kotturpuram, Chennai – 600 085	Independent Director
Ms.Renuka Jaypal	08942842	A4, Coral Haven, No.9, Rajagopalan Street, Valmiki Nagar, Thiruvannamiyur, Chennai – 600 041	Independent Director
f.	Management perception of risk factors	<p>The Company has two Deposit Schemes viz., Fixed Deposits / 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 2020-21 in a separate bank account with HDFC Bank, Radhakrishna Salai Branch, Chennai 600 004 on 16/05/2020, in pursuance of Section 73 (2) (c) of the Companies Act, 2013.</p> <p>CARE Ratings Limited have reaffirmed CARE A; Stable [Single A; Stable] for Fixed Deposits 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 of Board Resolution	04/03/2021
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;	<b>Unsecured</b>
d.	Amount which the Company can raise by way of deposits as per the Act and the rules made there under	<b>Rs. 88,15,94,108/-</b>

		<b>Rs.62,97,10,077/- from Public</b> (25% of the aggregate of the paid up share capital and free reserves)  <b>Rs.25,18,84,031/- from Shareholders</b> (10% of the aggregate of the paid up share capital and free reserves)
	i. The aggregate of deposits actually held on the last day of the immediately preceding financial year (31.03.2020)	Rs. 67,17,83,000/-
	ii. The aggregate of deposits actually held on the date of issue of circular / advertisement (04.03.2021)	<b>Rs.68,85,72,000/-</b>
	iii. Amount of deposits proposed to be raised	<b>Only requests for renewals of Deposits maturing on or after 05/04/2021 will be accepted</b>
	iv. Amount of deposits repayable within the next twelve months	Rs.17,70,78,000/-
e.	<b>Terms of raising deposits (Only requests for renewals of Deposits maturing on or after 05/04/2021 will be accepted)</b>	
	Minimum amount	Rs.25000/- and thereafter in multiples of Rs.1000/- only
	<b>Scheme I: Fixed Deposit</b>	
	Term of deposit	Two / Three years interest payable quarterly
	Rate of interest	8.00% p.a. for 2 years deposit and 8.50% p.a. for 3 years deposit
	Interest payable	Interest on deposit under Scheme I will be payable every quarter on 30 <sup>th</sup> June, 30 <sup>th</sup> September, 31 <sup>st</sup> December & 31 <sup>st</sup> March.
	<b>Scheme II: Cumulative Deposit</b>	
	Term of deposit	Three years only. Interest payable on maturity; compounded quarterly
	Rate of interest	8.50% p.a.
	Interest payable	Interest on deposit under Scheme II will be payable on maturity, interest compounded quarterly.
	<b>Scheme I (Fixed Deposit) and Scheme II (Cumulative Deposit)</b>	
	Mode of payment of interest	Interest will be payable by way of warrants / DDs / ECS payable at par by specified branches of State Bank of India

	Repayment of principal amount	<p>Deposits will be repayable on maturity and on surrender of duly discharged deposit receipt, by way of account payee cheques payable at par.</p> <p>In case of premature repayment of deposits after the expiry of a period of six months from the date of such deposit but before the expiry of the period for which such deposit was accepted, the rate of interest payable on such deposit shall be reduced by one percent from the rate which the Company would have paid had the deposit been accepted for the period for which such deposit had actually run and subject to compliance of the extant provisions of the Companies (Acceptance of Deposits) Rules, 2014.</p> <p>Premature closure of a Cumulative Deposit is not permitted.</p>
	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>This new circular has been approved by the Board of Directors on 04/03/2021 and the same has been filed with the Registrar of Companies on the same date. <b>The Deposit scheme for renewal of deposits will be open from 05/04/2021.</b></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 2020-2021 or until the date on which the Financial Statements is laid before the Company in Annual General Meeting for the said Financial Year or the latest day on which that Annual General Meeting should have been held in accordance with the Companies Act, 2013, whichever is earlier.</p> <p>The circular in the form of advertisement issued on 27/10/2020 is being superseded by the Company as it has been decided only to renew the existing deposits with the Company at the option of the Depositor concerned and not to accept any fresh deposits.</p>
g.	Reasons or objects of raising the deposits	To support business operations
h.	<b>Credit rating obtained</b>	
	a) Name of credit rating Agencies	CARE Ratings Limited
	b) Rating obtained	CARE A; Stable [Single A; Stable]
	c) Meaning of the rating obtained and date of which obtained	Adequate degree of safety regarding timely servicing of financial obligations and carry low credit risk and date on which credit rating obtained is 31/08/2020
i.	Short particulars of the charge created or to be created for securing such deposits, if any	Not applicable

j.	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
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### 3. DETAILS OF ANY OUTSTANDING DEPOSITS

a.	Amount outstanding as on 31.03.2020	<b>Rs.67,17,83,000/-</b>
b.	Date of acceptance	Accepted on different dates
c.	Total amount accepted during the Financial Year 2019 – 2020	Rs.7,89,84,000/-
d.	Rate of interest	8.50% for 2 years and 9.00% for 3 years
e.	Total number of depositors	3547
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 deposit	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.)					
		31.03.2018		31.03.2019		31.03.2020	
		Before taxation	After taxation	Before taxation	After taxation	Before taxation	After taxation
		(73475576)	83652974	255607402	101994148	(172889802)	(111507293)
b.	Dividends declared by the Company in respect of the said financial years: interest coverage ratio for last three years (cash profit after tax plus interest paid or interest paid)	For the Year ended		Dividend declared		Dividend (%)	
		31.03.2018		1,13,38,505		10	
		31.03.2019		1,13,38,505		10	
		31.03.2020		1,13,38,505		10	

- 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

<b>Balance Sheet</b>		<i>Amount in Rupees</i>	
<b>Particulars</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	847894314	912193700	926787718
(b) Capital work-in-progress	10826431	0	2923297
(c) Intangible assets	1130504	4919769	8709034
(d) Financial assets			
(i) Investments	699544862	815369202	872348185
(ii) Loans	4052564	3992829	6449813
(e) Deferred tax assets	0	0	33580753
(f) Other non-current assets	43364679	41294009	39438939
<b>Current assets</b>			
(a) Inventories	3364346137	3691299607	2075382060
(b) Financial Assets			
(i) Investments	569555191	550304789	934064175
(ii) Trade receivables	239757942	205378591	225940320
(iii) Cash and cash equivalents	53561793	22394977	23059461
(iv) Bank Balances other than (iii) above	77877612	90911410	72052112
(v) Other financial assets	204302576	54161958	12512656
(c) Current tax assets	-	-	12242858
(d) Other current assets	104274252	95551964	149813784
<b>Total Assets</b>	<b>6220488857</b>	<b>6487772805</b>	<b>5395305165</b>

<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	113385050	113385050	113385050
(b) Other equity	2405455258	2529002504	2437221121
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	743197000	413413000	403524000
(ii) Other Financial liabilities	7464513	11336192	11336213
(b) Provisions	49183624	50099446	52293324
(c) Deferred tax liabilities	31128959	70889349	0
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	1518039308	1522766450	1335190451
(ii) Trade payables			
a) Total outstanding dues of micro enterprises and small enterprises	0	0	0
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	609833157	1322168873	547486215
(iii) Other financial liabilities	703985040	363082602	449062134
(b) Other current liabilities	26521042	38463658	32733326
(c) Provisions	12295906	12524886	13073331
(d) Current Tax Liabilities	0	40640795	0
<b>Total Equity and Liabilities</b>	<b>6220488857</b>	<b>6487772805</b>	<b>5395305165</b>



Statement of Profit or Loss			Amount in Rupees
Particulars	For Year ended March 31, 2020	For Year ended March 31, 2019	For Year ended March 31, 2018
I Revenue from operations	3,54,53,62,224	3,17,83,38,789	3,29,95,49,988
II Other income	11,23,74,986	12,76,70,794	57,75,77,382
<b>III Total Income (I+II)</b>	<b>3,65,77,37,210</b>	<b>3,30,60,09,583</b>	<b>3,87,71,27,370</b>
<b>IV Expenses</b>			
Cost of material consumed	2,54,04,22,170	3,59,73,18,055	2,89,12,28,741
Purchase of Stock-in-trade	77,94,677	-	-
Changes in inventories of finished goods, work-in-progress and stock-in-trade	32,09,27,599	(1,62,24,87,898)	12,03,56,042
Excise duty on sale of goods	-	-	4,83,87,547
Employee benefits expense	30,54,19,412	36,11,25,768	35,13,71,333
Finance costs	21,48,90,585	18,63,78,395	144072674
Depreciation and Amortisation	7,39,49,035	8,27,38,443	89406418
Other expenses	36,72,23,534	44,53,29,418	30,57,80,191
<b>Total expenses (IV)</b>	<b>3,83,06,27,012</b>	<b>3,05,04,02,181</b>	<b>3,95,06,02,946</b>
<b>V Profit/(loss) before exceptional items and tax</b>			
	<b>(17,28,89,802)</b>	<b>25,56,07,402</b>	<b>(7,34,75,576)</b>
VI Exceptional items	-	-	-
<b>VII Profit/(loss) before tax</b>	<b>(17,28,89,802)</b>	<b>25,56,07,402</b>	<b>(7,34,75,576)</b>

<b>VIII Tax expense</b>			
- Current Tax	-	5,10,00,000	-
- Deferred Tax	(4,04,29,729)	10,26,13,254	(15,71,28,550)
- Excess provision towards taxation relating to earlier years	(2,09,52,780)	-	-
<b>IX Profit/(loss) for the period</b>	<b>(11,15,07,293)</b>	<b>10,19,94,148</b>	<b>8,36,52,974</b>
<b>X Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurements of defined benefit plan actuarial gains/ (losses)	22,98,554	53,13,780	(8,58,188)
Income tax expense on above	(6,69,339)	(18,56,847)	2,91,784
	<b>16,29,215</b>	<b>34,56,933</b>	<b>(5,66,404)</b>
<b>XI Total Comprehensive Income for the period (Comprising profit and other comprehensive income for the period)</b>	<b>(10,98,78,078)</b>	<b>10,54,51,081</b>	<b>83086570</b>
<b>XII Earnings per equity share</b>			
(1) Basic	(0.97)	0.93	0.74
(2) Diluted	(0.97)	0.93	0.74

- d. Audited Cash Flow Statement for the three years immediately preceding the date of issue of circular or advertisement

Statement of Cash Flow			Amount in Rupees
Particulars	For Year Ended March 31, 2020	For Year Ended March 31, 2019	For Year Ended March 31, 2018
<b>Cash flows from Operating Activities</b>			
Total Income for the Period(PBT)	-172889802	255607402	-73475576
Adjustments:			
- Interest income	-11895096	-10570381	-373170
- Loss/(Profit) on Sale of Fixed Assets	-6306	-7949918	90387
- Loss/ (Gain) on Sale of Investments	-829871	756578	-73237665
- Adjustment for OCI	2298554	5313780	-858188
- Interest expense	214890585	9872256	19520452
-Dividend Income	-38652185	-38959806	-44740056
- Fair Value Adjustment	119459890	81784273	-400950278
- Depreciation and Amortization	73949035	82738443	89406418
Operating cash flow before Working Capital changes	<b>186324803</b>	<b>378592628</b>	<b>-484617676</b>
Changes in			
- Increase In Trade Receivables	-34379351	20561729	6936815
(Decrease) In Inventory	326953470	-1615917547	119609104
- Increase In Other current Financial Asset(s)	-150140618	-41649302	-3762345
- Decrease In Other Current Asset(s)	25219773	54261820	-75665371
- Increase Long term loans	-59735	2456984	2895000
- Increase In Other Non-Current Asset	-2070670	-1855070	-4866710
(Decrease)/Increase In Long Term Provisions	-915821	-2193878	4487585
- (Decrease) In Other Financial Liabilities Non-Current	-3871679	-21	0
-(Decrease) In Trade Payables Current	-712335716	774682658	-29683266
(Decrease) In other Current Liabilities	-11942616	5730332	-144864249
Increase In Other Financial Liabilities Current	340902438	-85979532	158693788
(Decrease) In Short Term Provisions Current	-228980	-548445	1121894
(Decrease) /Increase in Other Non-Current Liabilities	0	0	-3193166
Income taxes paid	-53630077	1883653	-15824778
<b>Net Cash generated from / (used in) Operations</b>	<b>-276499582</b>	<b>-888566618</b>	<b>15884302</b>

<b>Cash flows from Investing Activities</b>			
Purchase of Fixed Assets	-16688527	-67449016	-15619353
Proceeds from Sale of Fixed Assets	8018	13967071	1214387
Investment made in Current and Non-Current Investments	-26860557	354490782	-512629932
Dividend Income	38652185	38959806	44740056
Proceeds from sale of Investments	4804476	3706736	596941361
Changes in margin Money Deposits	13033798	-18859298	-6763122
Interest received	11895096	10570381	373170
<b>Net cash generated from/(used in) Investing Activities</b>	<b>24844489</b>	<b>335386461</b>	<b>108256567</b>
<b>Cash flows from Financing Activities</b>			
Proceeds from / (repayment of) long term and short term borrowings	325056858	197464999	506603026
-Dividend Paid	-13669168	-13669698	-122820773
-Interest paid	-214890585	-9872256	-19520452
<b>Net cash used in Financing activities</b>	<b>96497105</b>	<b>173923045</b>	<b>364261801</b>
<b>Increase in Cash and Cash Equivalents</b>	<b>31166816</b>	<b>-664484</b>	<b>3784994</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>22394977</b>	<b>23059461</b>	<b>19274467</b>
<b>Cash and Cash Equivalents at the end of the year</b>	<b>53561793</b>	<b>22394977</b>	<b>23059461</b>
<b>Components of Cash and Cash Equivalents</b>			
Cash on hand	939691	1392781	1837429
Balances with Banks	52622102	21002196	21222032
<b>Total Cash and Cash Equivalents</b>	<b>53561793</b>	<b>22394977</b>	<b>23059461</b>

e. There is no change in Accounting Policies during the last three years.

## **5. DECLARATION BY THE DIRECTORS THAT**


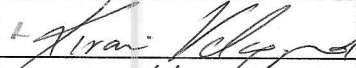
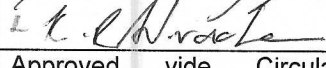
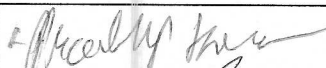
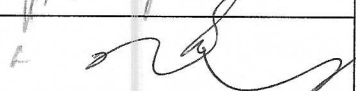
- a) The Company has not defaulted in the repayment of deposits accepted either before or after the commencement of the Act or payment of interest thereon. Auditors certificate in this connection is also filed along with DPT-1;
- b) The Board of Directors has satisfied itself fully with respect to the 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 deposits accepted by the Company before the commencement of the Act have either been repaid or renewed under the Companies Act, 2013 at the applicable due dates;
- f) 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 of the Company unanimously approved the Circular in the form of Advertisement (Form DPT-1) accepting only renewal of deposits maturing on or after 05/04/2021 from Public / Shareholders vide Circular Resolution dated 04/03/2021.

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

**ANNEXURE TO FORM DPT-1**

**APPROVAL OF DIRECTORS**

NAME OF DIRECTOR	DESIGNATION	SIGNATURE
Ms.Irmgard Velagapudi	Managing Director	
Mr.Vinod R. Sethi	Executive Chairman	Approved vide Circular Resolution dated 04/03/2021
Ms.Kiran Velagapudi	Executive Director	
Mr. K.R.Adivarahan	Independent Director	
Dr.Vithal Rajan	Independent Director	Approved vide Circular Resolution dated 04/03/2021
Mr. M.S.V.M.Rao	Independent Director	Approved vide Circular Resolution dated 04/03/2021
Mr.Pratap K.Moturi	Independent Director	
Ms.Renuka Jaypal	Independent Director	

**// BY ORDER OF THE BOARD //**

Place: Chennai  
Date: 04/03/2021

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

  
**IRMGARD VELAGAPUDI**  
Managing Director

**Applications for Acceptance and Renewal of Deposits are available at**

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1. K.C.P.Sugar and Industries Corporation Limited, Registered office at "Ramakrishna Buildings"  
No.239, Anna Salai, Chennai 600 006. Phone No.: 044-28555 171 – 176
  2. Factory at Vuyyuru, Krishna District AP 521 165
  3. Factory at Lakshmipuram, Krishna District AP 521 131
  4. Registered Brokers
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# **SURI & SIVA**

Chartered Accountants

C-8, 3rd Floor, Shanti Apartments  
No.18, [Old No.21]  
1st Cross Street, T.T.K. Road,  
Alwarpet, Chennai - 600 018.  
Phone : 044 - 2433 8183  
E-mail : vsivakumar59@gmail.com

## **CERTIFICATE**

This Certificate is issued in pursuance of Rule 4 of the Companies (Acceptance of Deposits) Rules, 2014.

We hereby certify that K.C.P.Sugar and Industries Corporation Limited, a Company incorporated under the Companies Act, 1956, having CIN L15421TN1995PLC033198, having its Registered Office at No.239, Anna Salai, Chennai - 600 006 has not committed any default in the repayment of deposits or in the payment of interest on such deposits accepted either before or after the commencement of the Companies Act, 2013.

Place: Chennai  
Date: 02/03/2021

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



V.Siva Kumar  
Partner  
Membership Number:022379  
UDIN: 21022379AAAAUX9862