



K.C.P. SUGAR AND INDUSTRIES CORPORATION LIMITED

Registered Office : "Ramakrishna Buildings", No.239, Anna Salai, Chennai - 600 006.
Phone : 28555171 to 176, Direct : 28512091, Fax : 28546617, E-mail : kcpsugar@vsnl.com

DEPOSIT SCHEMES

(UNSECURED)

EFFECTIVE FROM

22-10-2016

SCHEME - I FIXED DEPOSIT

TERM : Deposits will be accepted for a period of TWO/THREE years.

Term	Rate of Interest	Minimum Amount
2 Years	8.50 %	Rs. 25,000/-
3 Years	9.00 %	

INTEREST PAYABLE : 30th June, 30th September, 31st December and 31st March.

SCHEME - II CUMULATIVE DEPOSIT

TERM : Deposits will be accepted for a period of **THREE years only. No premature closure.**
No interest amount is accepted as fresh deposit / additional amount to enhance the principal amount at the time of renewal.

RATE OF INTEREST : 9.00% p.a. Maturity value of Rs.25,000/- will be Rs.32,651/-

MINIMUM AMOUNT : Rs.25,000/- and multiples of Rs.1,000/- only.

INTEREST PAYABLE : On Maturity

PAYMENT OF INTEREST

By " **AT PAR**" WARRANTS
(INTEREST WARRANTS WILL BE SENT ONLY TO THE REGISTERED ADDRESS OF THE DEPOSITOR)
(NO WARRANT WILL BE DISPATCHED DIRECTLY TO THE DEPOSITOR'S BANK ADDRESS)

No tax will be deducted at source on interest payments upto Rs.5,000/- per financial year viz.

Fixed Deposit (2 yrs) **8.50 %** – upto Rs.58,000/-

Fixed Deposit (3 yrs) **9.00 %** – upto Rs.55,000/-

Cumulative Deposit (3 yrs) **9.00%** – upto Rs.44,000/-

Non-assessees are requested (wherever applicable) to furnish the declaration in Form 15-G (in duplicate) for every Financial Year along with copy of PAN card for exemption from deduction of tax and the same will have to be furnished atleast one month prior to the date of first payment/credit of interest in respect of both the schemes. Senior Citizens may submit Form 15-H in duplicate along with copy of PAN card.

HOW TO APPLY

1. Fill in the attached application form appropriately in BLOCK LETTERS.
2. If the interest payable on aggregate deposit held in a financial year exceeds the threshold limit of Rs.5000/- deposits will not be accepted without copy of Permanent Account Number (PAN) card allotted by the Income Tax Department and deposits from non-assessees will not be accepted without form 15G/15H (Senior Citizens) in duplicate & copy of PAN card.
3. For all correspondence and details contact our Registered Office at the address given on the top of the application.
4. Cheque / Demand draft to be drawn on K.C.P. Sugar and Industries Corporation Ltd. payable at Chennai.
5. Nomination form will be sent only on request.

TERMS AND CONDITIONS GOVERNING ACCEPTANCE OF DEPOSITS

1. DEPOSIT SCHEMES

SCHEME - I FIXED DEPOSIT			
Period	Minimum Amount	Interest per annum	
2 Years	Rs. 25,000/-	8.50%	Payable Quarterly on 30th June, 30th September, 31st December and 31st March
3 Years	Rs. 25,000/-	9.00%	
SCHEME - II CUMULATIVE DEPOSIT (No premature closure)			
Period	Minimum Amount	Interest per annum	
3 Years only	Rs. 25,000/-	9.00%	Payable ** on Maturity
**Maturity Amount Rs. 32,651/-			

2. APPLICATION FOR DEPOSITS

- 2.1 Application should be in the prescribed form in English separately for each scheme.
- 2.2 All cheques/drafts shall be crossed Account Payee and drawn on any Scheduled Bank payable at Chennai. Outstation cheques and deduction of charges for drafts/pay order will not be accepted.
- 2.3 Deposits are accepted/renewed in multiples of Rs. 1,000/- only.
- 2.4 Deposits are accepted from Resident Individuals, HUF, Companies, etc. Deposits will not be accepted from unregistered trusts and partnership firms.
- 2.5 Deposits in the name of a Minor will be accepted provided the application form is signed by the natural or legal guardian on behalf of the Minor. Minor's date of birth should be indicated in the appropriate column in the application form in case of deposits from minors.

3. PAYMENT OF INTEREST

- 3.1 Interest on fixed deposits is payable quarterly on 30th June, 30th September, 31st December and 31st March and will be based on the number of days in relevant quarter. The interest warrants will be despatched in the last week of each quarter. For deposits received during the last fortnight of any quarter, the interest due from the date of deposit to the end of the quarter will be paid alongwith the interest payable for the subsequent quarter.
- 3.2 Interest on Cumulative deposits is compounded quarterly and payable only on maturity, subject to deduction of tax at source on the incremental amounts. For the purpose of deduction of income tax, the interest will be deemed to accrue every quarter and tax will be deducted wherever applicable.
- 3.3 The period of the deposit and calculation of interest thereon will commence from the date of realisation of the cheque/draft/pay order by the Company.
- 3.4 In case the depositor wishes to renew the deposit, he/she shall inform the Company atleast 5 days in advance of the maturity date so that interest will continue to run from the date of maturity. In case the deposit is not recalled or renewed as aforesaid, the deposit will automatically expire on the date of maturity when the interest will also cease.
- 3.5 Interest will be paid by Account Payee warrants in favour of sole / first depositor. In case of deposits held by minors, interest warrant / demand drafts will be issued in his / her name mentioning respective guardian name in the same.
- 3.6 Interest warrants will be sent only to the registered address of the depositor
- 3.7 No interest warrant will be dispatched directly to the depositor's Bank address.
- 3.8 No compounded interest is payable on fixed deposits.

4. JOINT DEPOSITS

- 4.1 In the case of joint deposits, the total number of depositors should not exceed three and will be accepted on "Either or Survivor" OR "Former or Survivor" basis. All correspondences will be addressed to the person whose name appears first in the Deposit Receipt and payments of interest and principal will be made to the first named Depositor during his/her lifetime, unless specifically otherwise authorised by all the Depositors. On the death of any one of the holders, the company shall be discharge from all liabilities by transferring the deposit absolutely in favour of the survivor/s.
- 4.2 In case of "Either or Survivor" deposits, the discharge given by either of the depositors for payment of interest or principal shall be valid and binding on the other depositor. In the event of death of either of the depositors, all payments on account of principal or interest will be made to the surviving depositor on production of an attested copy of the death certificate. In the event of death of any one of the depositors, in the case of joint deposits standing in two names, the surviving depositor has the option to add/substitute any new person as a joint holder during the currency of the deposit. Under Cumulative deposit scheme, in the event of death of either of the depositors, amount repayable on maturity will be made to the surviving depositor on production of an attested copy of the death certificate.
- 4.3 In case of "Former or Survivor" Deposit, the principal amount will be payable to the former of the depositors or the surviving depositor who applied for payment and surrenders the relative Deposit Receipt duly discharged by him/her together with an attested copy of the death certificate of the former depositor.
- 4.4 In the event of death of sole depositor or the sole surviving depositor, all the payments of interest and principal will be made to the Legal heirs of the deceased on the production of death certificate/legal heirship certificate issued by competent authority. The Company may dispense with the production of the Probated Will / Succession Certificate / Letter of Administration upon such terms and conditions as it may consider adequate.
- 4.5 Interest will be paid by Account payee warrants / demand drafts drawn in favour of the sole / first named depositor. In case of deposit held by Minor interest warrant / DD will be issued in his / her name mentioning the respective guardian in the same.

5. DEDUCTION OF TAX

- 5.1 Income tax in terms of the provisions of the Finance Act in force will be deducted from the interest payable/credited in the accounts. Assesseees are requested to furnish copy of PAN card. Presently, under section 194A of the Income Tax Act, 1961, no tax will be deducted when the aggregate amount of interest payable does not exceed Rs.5000/- in a financial year, i.e., 1st April to 31st March.
- 5.2 Non assesseees are requested (wherever applicable), to furnish the declaration in Form 15-G (in duplicate) along with copy of PAN card for exemption from deduction of tax and the same will have to be furnished atleast one month prior to the date of first payment/credit of interest in respect of both the schemes. Senior Citizens may submit Form 15-H in duplicate along with copy of PAN card. The Depositor is presumed to be aware of the penal provision of the Income Tax Act, 1961 in case of false declaration and the Company will in no way be responsible for any such false declaration made by a depositor.
- 5.3 Where a depositor holds more than one deposit either individually or jointly, the said first named depositor will be treated as the beneficial owner of all the said deposits and will be treated as the payee for the purpose of deduction of tax u/s 194A of the Income Tax Act, 1961. Assesseees are requested to furnish copy of PAN card

- 5.4 In the case of cumulative deposits, interest will be credited to the Deposit every quarter subject to deduction of tax at source. Interest will be compounded net of tax (as applicable) and the maturity value may vary.

6. RENEWAL/REPAYMENT OF DEPOSITS

- 6.1 Deposits can be renewed by discharging (without revenue stamp) the matured term deposit receipt on the reverse by the first named depositor and the joint depositor, if any, and returning the same together with the renewal application form duly filled-in and signed to the Company
- 6.2 No interest amount is accepted as fresh deposit / additional amount to enhance the principal amount at the time of renewal.
- 6.3 No partial renewal will be done.
- 6.4 For repayment of deposit, the deposit receipt has to be surrendered to the Company atleast fifteen days before the date of maturity duly discharged on one rupee revenue stamp by the first named depositor/survivor as stated herein before. The payment will be made within seven days from the date of receipt of the discharged deposit receipt or the date of the maturity whichever is later. No interest amount is accepted as deposit / additional amount to enhance the principal amount at the time of renewal.
- 6.5 All repayment of deposit will be made only by account payee cheques/drafts (at Company's cost), drawn in favour of the first depositor/survivor.
- 6.6 a) The Company reserves the rights to allow repayment before maturity at its absolute discretion in which event the rate of interest payable on such deposits shall be in accordance with the provisions of the Company (Acceptance of Deposits) Rules, 1975, as amended. Any unused interest warrants(s) will have to be surrendered in the event of the Company allowing such repayment along with the original deposit receipt.
- b) In case where premature withdrawal of the deposit is allowed by the Company, a request to the effect has to be furnished by the depositor along with the deposit receipt duly discharged.
- c) Where the deposit held in the joint names is ought to be prematurely terminated, the relative deposit receipt shall be discharged by all joint holders.
- 6.7 a) No deposit will be repaid within a period of three months from the date of its acceptance.
- b) Where the Company at the request of the depositor agrees to repay the deposit after the period of three months but before the date of maturity, the interest would be at the following rate :

6.8 No partial repayment will be made.	
i. Three months but before expiry of six months	No interest.
ii. Six months but before the date of maturity	One percentage point less than the rate which the Company would have ordinarily paid, had the deposit been accepted for the period for which such deposit had run.

- 6.9 A deposit can be renewed as it is. Deposit can also be renewed for a higher multiple of Rs. 1,000/- by adding the differential amount. Such renewal can be done only on the date of maturity and not before or after and therefore, the necessary remittance should reach the Company atleast four days before the date of maturity.
- 6.10 No consolidation / split of deposits can be done. No interest amount is accepted as fresh deposit / additional amount to enhance the principal amount at the time of renewal.
- 6.11 It is not obligatory on the part of the Company to give notice or advance intimation about the maturity of the deposits.
- 6.12 Where the due date of any payment falls on a Sunday, Bank holiday or any other day on which the Registered Office of the Company remains closed, the payment will be made on the next working day.
- 6.13 PREMATURE CLOSURE OF A CUMULATIVE DEPOSIT IS NOT PERMITTED.
7. GENERAL
- 7.1 Application forms/discharged deposit receipts for repayment carrying thumb impression should be certified by a Notary Public, Magistrate or Gazetted Officer with the seal of his office.
- 7.2 The Company will not recognise any lien, charge, assignment or other encumbrance on the deposit and/or interest thereon.
- 7.3 In the event of loss or destruction or mutilation of the Deposit Receipt/Interest Warrant/Cheque/Draft/Income tax deduction certificate, the Company may at its sole discretion issue a duplicate, subject to the compliance by the Depositor of such terms and conditions as the Company may stipulate including submission of an indemnity. All expenses in this connection shall be borne by the Depositor.
- 7.4 Notification regarding change of address, tax exemption, etc., must be sent to the Company atleast thirty days before the date on which the next payment of interest falls due.
- 7.5 The regulations made from time to time by the Government of India will govern the deposits and will be binding on the Depositors as well as on the Company.
- 7.6 The Company reserves the right:
 - a. to accept deposits only for such periods as it may decide from time to time.
 - b. to reject any application for a fresh deposit or for renewal of existing deposit without assigning any reason.
 - c. to repay the deposit on its own discretion at any time prior to the date of maturity.
 - d. to alter or amend without notice any or all of the conditions stipulated above including the rate of interest.
 - e. to modify the deposits schemes/rules in the case of any deposit subject to the regulations prescribed under the Companies (Acceptance of Deposits) Rules, 1975.
- 7.7 Deposits once accepted under any scheme cannot be interchanged.
- 7.8 Deposits will be subject to Companies (Acceptance of Deposits) Rules, 1975 as amended from time to time, made under Section 58(A) of the Companies Act 1956 and any other rules and regulations prescribed by the Central Government or Reserve Bank of India or any other Statutory Authorities.
- 7.9 Deposit Receipt will be forwarded by Registered Post/ Courier at the address of the Sole / First Applicant given in the application form within 2-3 weeks from the date of realisation of the instrument.
- 7.10 Application forms carrying thumb impression should be certified by a Notary Public, a Magistrate or a Gazetted Officer with the seal of his office.
8. All communications with regard to deposits shall be addressed to
K.C.P. SUGAR AND INDUSTRIES CORPORATION LIMITED
"Ramakrishna Buildings" 239, Anna Salai, Chennai - 600 006. Ph: 28555171 to 176, Fax: 28546617
- 8.1 FOR AUTHORISED BROKERS :
- 8.2 Authorised Brokers are not permitted to accept cash from depositors or issue receipt on behalf of the company for deposits. They are advised to clearly affix their rubber stamp in the box provided in the application Form to enable payment of brokerage. Application form received without the name of the Broker will not be considered for payment of brokerage. Brokerage will be paid to recognised authorised brokers at the rate decided by the Management.
- 8.3 Nomination facility available. For registration of Nomination depositors can contact our Registered Office.

**PARTICULARS OF THE COMPANY AS PER THE COMPANIES (ACCEPTANCE OF DEPOSITS) RULES, 1975,
AS AMENDED BY THE COMPANIES (ACCEPTANCE OF DEPOSITS) AMENDMENT RULES, 1978.**

- A. Name of the Company** : K.C.P. SUGAR AND INDUSTRIES CORPORATION LIMITED
- B. Date of Incorporation** : 11th October 1995
- C. Business Carried on by the Company** : **Manufacturers** of Sugar, Industrial Alcohol, Anhydrous Alcohol, Extraneutral Alcohol, Co2, Calcium Lactate, Bio-Fertilizers, Bio-Compost and Mycorrhiza Inoculum.
- : **Registered Office** at "Ramakrishna Buildings" No.239, Anna Salai, Chennai - 600 006.
- : **Units** at Vuyyuru 521 165, Krishna Dist, Andhra Pradesh and Lakshmipuram 521 131, Krishna Dist, Andhra Pradesh.
- : **Subsidiary Companies** - The EIMCO KCP Ltd. Manufacturers of solid liquid separation equipment.
Works at 11-A, 3rd Main Road, Industrial Estate, Ambattur, Chennai - 600 058.
KCP Sugars Agricultural Research Farms Ltd. is engaged in research and development activities on sugarcane and other agricultural produce.
- D. Management** : The Company is managed by Executive Chairman, Managing Director and Executive Director under the supervision, control and direction of the Board of Directors.

E. Names, Addresses and Occupation of Directors

Sl.No.	Name	Address	Occupation
1.	Shri. Vinod R Sethi	No.11, Third Street, Kasturi Estate, Chennai - 600 086.	Executive Chairman
2.	Smt. Irmgard Velagapudi M. Rao	No.15, Damodarapuram Main Road, Adyar, Chennai - 600 020.	Managing Director
3.	Ms. V. Kiran Rao	No.11, Third Street, Kasturi Estate, Chennai - 600 086.	Executive Director
4.	Shri. K.R. Adivarahan	No.12, (Old No.29) Krishnapuri 2nd Street, R.A. Puram, Chennai - 600 028	Company Director
5.	Shri. Ranvir Shah	No.21, South Mada Street, Srinagar Colony, Saidapet, Chennai - 600 015.	Company Director
6.	Dr. Vithal Rajan	No.1-2-16/11, First Street, Habsiguda, Hyderabad - 500 007.	Company Director
7.	Shri. M.S.V.M. Rao	Flat No. 202, C-Block, Sri Nilaya Asian Manor Apartment, Road No. 2, Banjara Hills, Hyderabad-500034.	Company Director
8.	Shri. Prathap K. Moturi	No. 25-C, Ranjith Street, Kotturpuram, Chennai - 600 085.	Company Director

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.)					
		31.03.2014		31.03.2015		31.03.2016	
		Before taxation	After taxation	Before taxation	After taxation	Before taxation	After taxation
		33,27,78,552	27,66,44,491	(27,54,25,008)	(161729515)	87802209	87580826

b.	Dividends declared by the company in respect of the 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 (%)	Interest coverage ratio
		31.03.2014	9,63,77,293	85	9.51
		31.03.2015	1,13,38,505	10	*
		31.03.2016	2,83,46,263	25	3.78

* For the financial year ended 31.03.2015, Interest coverage ratio cannot be quantified in view of Loss sustained in that year.

G 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

Equity & Liabilities	As at 31.03.2016	As at 31.03.2015	As at 31.03.2014	Assets	As at 31.03.2016	As at 31.03.2015	As at 31.03.2014
Shareholder's funds				Non-current assets			
Share capital	113385050	113385050	113385050	Fixed assets			
Reserves and surplus	2081825970	2028362038	2242796416	Tangible assets	966482605	1047749162	1051439552
Non-current Liabilities				Capital work in progress	6078214	6647738	67394155
Long term borrowings	424683000	537504000	479876000	Intangible assets	15394027	0	0
Deferred tax liabilities (net)	73931803	55896443	169676439	Intangible assets under development	0	16939853	13045962
Other long term liabilities	13479779	6236098	6562944	Non-current investment	437743842	397917269	343583442
Long term provisions	41378108	39434932	40273832	Long term loans and advances	8614600	5762543	5794453
Current Liabilities				Currents Assets			
Short term borrowings	549658565	452488218	392278404	Current investments	0	0	0
Trade payables	1129235225	970545504	980590394	Inventories	2674727798	2402880965	2807429705
Other current liabilities	418480108	233552112	238988341	Trade receivables	442059144	228206536	206712499
Short term provisions	44461422	23264321	147789325	Cash and bank balances	144273340	109399818	108702451
Total	4890519030	4460668716	4812217145	Total	4890519030	4460668716	4812217145

H. Brief Particulars of Contingent Liabilities

	Amount in Rs. As at 31.03.2016
1. Claims against the Company not acknowledged as debts	3,89,35,301
2. Estimated amount of contracts remaining to be executed on Capital Account and not provided for	0
I. The amount which the Company can raise under the Companies (Acceptance of Deposits) Rules, 1975 as amended to date:	
1. 25% of the aggregate Paid up Capital and Free Reserves from Public	54,88,02,755
2. 10% of the aggregate Paid up Capital and Free Reserves as Deposits against Unsecured Debentures or Deposits from its Shareholders or Deposit guaranteed by any Director	21,95,21,102
Total	76,83,23,857

The aggregate of deposits actually held on the last day of the immediately preceding financial year, 31st March 2016:

Rs. 40,13,54,000

J. The Company hereby declares :

- That it has complied with the provisions of the Companies (Acceptance of Deposit) Rules, 1975 as amended to date;
- That compliance with these rules does not imply that repayment of deposits is guaranteed by the Central Government; and
- That the deposits accepted by the Company are unsecured and ranking pari passu with other unsecured liabilities.
- That the Company has not defaulted in the repayment of any deposit or interest.

Issued Under the authority of and in the name of Board of Directors of the Company and the above text has been approved by the Board at its Meeting dated 11th September 2014.

The Deposits will be accepted subject to the terms and conditions given in the application form which can be obtained from the Registered Office at Chennai, Factories at Vuyyuru and Lakshmipuram and from the Authorised Brokers.

By Order of the Board
for K.C.P. Sugar and Industries Corporation Limited.
R. GANESAN
Chief Financial Officer

Chennai - 600 006
21st September 2016