

K.C.P.SUGAR AND INDUSTRIES CORPORATION LIMITED

CIN: L15421TN1995PLC033198

'Ramakrishna Buildings', No.239, Anna Salai,
Chennai - 600 006.

Tel: 044 - 28555 171 - 176 | Fax: 044 - 2854 6617

Website: www.kcpsugar.com | e-mail Id: finance@kcpsugar.com

DEPOSIT SCHEMES

(Unsecured Deposits)

For Public and Shareholders w.e.f. 29/09/2022

Form 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)
2 Years	7.50%	Rs.25,000/-	Quarterly	3 Years only	8.00%	Rs.25,000/-	On maturity
3 Years	8.00%	Rs.25,000/-	Quarterly				

1. GENERAL INFORMATION

a.	Name of the 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 – 600006. Tel : 044 - 28555171 - 176 Fax : 044 - 28546617 e-mail Id : finance@kcpsugar.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, Ethanol, Bio-Fertilisers, Carbon dioxide, Calcium Lactate, Incidental Cogeneration Power, Solid Liquid Separation equipments for Industrial and Environmental Applications: Thickening, Clarification, Classification, Vacuum Filtration, Aeration Systems etc.,. Units at Vuyyuru, Krishna District, Andhra Pradesh & SIDCO Industrial Estate, Thuvakudi, Trichy, Tamil Nadu.



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		<p><u>Wholly Owned Subsidiaries:</u></p> <p>(i) The Elmco - K.C.P. Limited</p> <p>Manufactures of solid liquid separation equipments.</p> <p>Works at 11 - A, 3rd Main Road, Industrial Estate, Ambattur, Chennai - 600 058.</p> <p>(ii) KCP Sugars Agricultural Research Farms Limited</p> <p>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 rd Street, Poes Garden, Gopalapuram, Chennai - 600 086.	Executive Chairman
Ms.Kiran Velagapudi	00091466	No.11, 3 rd 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 st 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.25C, Ranjith Road, Kotturpuram, Chennai - 600 085.	Independent Director



f.	Management's perception of risk factors	<p>The Company has two Deposit Schemes viz., Fixed Deposits and 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 2022 - 2023 in a separate Bank Account with ICICI Bank Limited, Nungambakkam Branch, Chennai, in pursuance of Section 73(2)(c) of the Companies Act, 2013.</p> <p>The CARE Ratings Limited has issued the rating as ' CARE A -; Negative (Single A Minus; Outlook: Negative).</p>
g.	<p>Details of default, including the amount involved, duration of default and present status, in repayment of</p> <p>i. Statutory dues</p> <p>ii. Debentures and Interest thereon</p> <p>iii. Loan from any bank or financial institution and interest thereon</p>	<p>Nil</p> <p>Not Applicable</p> <p>Nil</p>

2. PARTICULARS OF THE DEPOSIT SCHEME

a.	Date of passing of Board Resolution	27.05.2022
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.	<p>Amount which the Company can raise by way of deposits as per the Act and the Rules made there under</p> <p>a) The aggregate of deposits actually held on the last day of the immediately preceding financial year (31.03.2022)</p> <p>b) The aggregate of deposits actually held on the date of issue of Circular / Advertisement (29.09.2022)</p>	<p>Rs.93,55,68,229/-</p> <p>Rs.66,82,63,021/- from Public (25% of the aggregate of the paid-up share capital and free reserves)</p> <p>Rs.26,73,05,208/- from Shareholders (10% of the aggregate of the paid-up share capital and free reserves)</p> <p>Rs.67,05,46,000/-</p> <p>Rs. /-</p>



	c) Amount of deposits proposed to be raised	Rs. 93,55,68,229/- including Deposits outstanding as on such date
	d) Amount of deposits repayable within the next twelve months	Rs.24,24,84,000/-
e.	Terms of raising deposits	
	Minimum amount	Rs.25,000/- and thereafter in multiples of Rs.1,000/- only
	Scheme I: Fixed Deposit	
	Term of Deposit	Two / Three years. Interest payable quarterly
	Rate of Interest	7.50% p.a. for 2 Years Deposit and 8.00% p.a. for 3 Years Deposit
	Interest payable	Interest on Deposit under Scheme I will be payable every quarter on 30 th June, 30 th September, 31 st December and 31 st March
	Scheme II: Cumulative Deposit	
	Term of deposit	Three years only. Interest payable on maturity; compounded quarterly
	Rate of interest	8.00% p.a.
	Interest payable	Interest on Deposit under Scheme II will be payable on maturity, interest compounded quarterly.
	Scheme I (Fixed Deposit) and Scheme II (Cumulative Deposit)	
	Mode of payment of interest	Interest will be payable by way of ECS / Demand Drafts.
	Repayment of principal amount	Deposits will be repayable on maturity and on surrender of duly discharged deposit receipt, by way of account payee cheques payable at par. 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. Premature closure of a Cumulative Deposit is not permitted.
	Mode of receipt of Deposit	Deposits will be accepted only through account payee cheques / demand drafts drawn on Chennai banks favouring K.C.P.Sugar and Industries Corporation Limited. No deposits will be accepted by way of cash and out station cheques. Duly filled Deposit Application Form has to be submitted.
	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	This new Circular has been approved by the Board of Directors on 27.05.2022. The Deposit Scheme will be open from 29.09.2022. This Circular in the form of advertisement shall be valid until the expiry of six months from the date of closure of Financial Year 2022 - 2023 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.
g.	Reasons or objects of raising the deposits	To support business operations
h.	Credit Rating obtained	
	a) Name of Credit Rating Agencies	CARE Ratings Limited
	b) Rating obtained	CARE A -; Negative (Single A Minus; Outlook: Negative)
	c) Meaning of the rating obtained and date of which rating was obtained	Adequate degree of safety regarding timely servicing of financial obligations and carry low credit risk with 'Modifier Minus' reflecting the comparative standing within the category 'A'. Negative Outlook indicates expected downgrade in the credit rating in the medium term on account of expected negative impact on the credit risk profile of the entity in the medium term and the date on which credit rating obtained is 11.10.2021.
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 held by them in the Company

3. DETAILS OF ANY OUTSTANDING DEPOSITS

a.	Amount outstanding as on 31.03.2022	Rs.67,05,46,000/-
b.	Date of acceptance	Accepted on different dates
c.	Total amount accepted during the Financial Year 2021 - 2022	Rs.60,90,00,000/-
d.	Rate of interest	8.50% / 8.00% / 7.50% for 2 Years and 9.00% / 8.50% / 8.00% for 3 Years
e.	Total number of Depositors	3039
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 / (Loss) 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 / (Loss) (Amount in Rs.)					
		31.03.2020		31.03.2021		31.03.2022	
		Before taxation	After taxation	Before taxation	After taxation	Before taxation	After taxation
		(172889802)	(111507293)	115639428	191636479	(25991963)	(17409633)
b.	Dividends declared by the Company in respect of the said three 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		
		31.03.2019	1,13,38,505	10	2.82		
		31.03.2020	1,13,38,505	10	0.54		
		31.03.2021	1,13,38,505	10	1.73		

The Board of Directors of the Company at their meeting held on 27/05/2022 has recommended for the approval of shareholders at the ensuing Annual General Meeting a dividend of Re.0.10/- (10%) for equity share of Re.1/-each.

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.			
Balance Sheet		Amount in Rupees	
Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	853060099	845242935	847894313
(b) Capital work-in-progress	9772303	26473489	10826431
(c) Intangible Assets	459891	652328	1130504
(d) Financial Assets			
(i) Investments	965594043	1015359763	699544862
(ii) Other Financial Assets	4457034	3761279	4052564
(e) Deferred Tax Assets (Net)	52416185	43017491	-
(f) Other Non-Current Assets	49204989	41527870	43364680



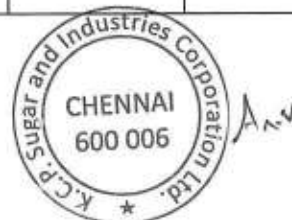
Balance Sheet		<i>Amount in Rupees</i>		
Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020	
Current Assets				
(a) Inventories	1935500937	2472675877	3364346137	
(b) Financial Assets				
(i) Investments	616925677	594457669	569555191	
(ii) Trade Receivables	124009787	284680362	239757942	
(iii) Cash and Cash Equivalents	154543583	13757393	53561793	
(iv) Bank Balances other than (iii) above	59394425	73633372	77877612	
(v) Other Financial Assets	420167	192241210	204302576	
(c) Current Tax Assets (Net)	5561943	1744129		
(d) Other Current Assets	76851293	81353279	104274252	
Assets held for Sale	84188263	78579550	-	
Total Assets	4992360620	5769157996	6220488857	
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital	113385050	113385050	113385050	
(b) Other Equity	2559667034	2590257711	2405455258	
Liabilities				
Non- Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	721867821	926454850	743197000	
(ii) Other Financial Liabilities	9649479	9793613	7464513	
(b) Provisions	38528636	34745709	49183624	
(c) Deferred Tax Liabilities	-	-	31128959	
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	1173758538	1777051462	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	97416448	84118483	609833157	
(iii) Other Financial Liabilities	85316500	216372492	703985040	
(b) Other Current Liabilities	187811243	8292199	26521042	
(c) Provisions	4959873	8686427	12295906	
Total Equity and Liabilities	4992360620	5769157996	6220488857	



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d. Audited Cash Flow Statement for the three years immediately preceding the date of issue of Circular or Advertisement

Statement of Cash Flow		<i>Amount in Rupees</i>		
Particulars	For Year Ended March 31, 2022	For Year Ended March 31, 2021	For Year Ended March 31, 2020	
Cash flows from Operating Activities				
Total Income for the Period (PBT)	(25991963)	115639428	(172889802)	
Adjustments:				
- Interest Income	(11065672)	(9398606)	(11895096)	
- Loss / (Profit) on Sale of Fixed Assets	(607717)	(6708745)	(6306)	
- Loss / (Gain) on Sale of Investments	(3927884)	-	(829871)	
- Adjustment for OCI	(2599519)	6355079	2298554	
- Interest Expense	191563361	238731506	214890585	
-Dividend Income	(22840308)	(35501249)	(38652185)	
- Fair Value Adjustment	49244862	(315929208)	119459890	
- Assets Written off	1297950	-	-	
- Depreciation and Amortization	47577709	58850171	73949035	
Operating Cash Flow before Working Capital changes	222650819	52038376	186324803	
Changes in				
- (Increase) / Decrease in Trade Receivables	160670574	(44922420)	(34379351)	
- (Increase) / Decrease in Inventory	537174939	891670261	326953470	
- (Increase) / Decrease in Other Current / Non-Current Financial Asset(s)	191125289	12175670	(150140618)	
- (Increase) / Decrease in Other Current Asset(s)	4501986	18641982	25219773	
- Decrease / (Increase) in Current Investments	(22468009)			
- Asset held for Sale	(5608713)	(78579550)	-	
- Increase / (Decrease) in Long Term Borrowings	(204587029)	291285	(59735)	
- (Increase) / Decrease in Other Non-Current Asset	(7677118)	1836810	(2070670)	
- Increase / (Decrease) in Long Term Provisions	3782926	(14437915)	(915821)	
- Increase / (Decrease) in Other Financial Liabilities Non - Current	(144135)	2329100	(3871679)	
- Increase / (Decrease) in Trade Payables Current	13297964	(525714674)	(712335718)	
- Increase / (Decrease) in Other Current Liabilities	179519045	(18228843)	(11942616)	
- Increase / (Decrease) in Other Financial Liabilities Current	(131055993)	(183889622)	340902438	
- Increase / (Decrease) in Short Term Provisions Current	(3726554)	(3609478)	(228980)	
Income Taxes paid (Net)	(3877198)	2534863	(53630077)	
Net Cash generated from / (used in) Operations	710927973	60097469	(276499582)	
Cash Flows from Investing Activities				
Purchase of Fixed Assets	(41554742)	(88166626)	(16688527)	
Proceeds from Sale of Fixed Assets	2363259	23507695	8018	
Investment made in Current and Non-Current Investments	(962458)	(24902478)	(26860557)	
Dividend Income	22840308	35501249	38652185	
Proceeds from Sale of Investments	5411200	-	4804477	
Changes in Margin Money Deposits	14238948	4244240	13033798	
Interest received	11065672	9398606	11895096	
Net Cash generated from / (used in) Investing Activities	13402187	(40417314)	24844490	



Statement of Cash Flow		Amount in Rupees		
Particulars	For Year ended March 31, 2022	For Year ended March 31, 2021	For Year ended March 31, 2020	
Cash flows from Financing Activities				
Proceeds from / (repayment of) Long Term and Short Term Borrowings	(603292924)	138547081	325056857	
Dividend paid	(11338505)	(11338505)	(13669168)	
Interest paid	(191563361)	(238731506)	(214890584)	
Net Cash used in Financing Activities	(806194790)	(111522930)	96497105	
(Increase) / Decrease in Cash and Cash Equivalents	140786190	(39804400)	31166817	
Cash and Cash Equivalents at the beginning of the year	13757393	53561793	22394977	
Cash and Cash Equivalents at the end of the year	154543583	13757393	53561793	
Components of Cash and Cash Equivalents				
Cash on hand	733908	651689	939691	
Balances with Banks	153809675	13105704	52622102	
Total Cash and Cash Equivalents	154543583	13757393	53561793	

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

5. DECLARATION BY THE DIRECTORS THAT

- the Company has not defaulted in the repayment of deposits accepted either before or after the commencement of the Companies Act, 2013 ('Act') or payment of interest thereon. Auditors certificate in this connection will be filed along with DPT-1;
- the Board of Directors has satisfied themselves 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;
- the Company has complied with the provisions of the Act and the Rules made thereunder;
- the compliance with the Act and the Rules does not imply that repayment of deposits is guaranteed by the Central Government;
- the deposits accepted by the Company before the commencement of the Act have either been repaid or renewed under the Act at the applicable due dates;
- in case of any adverse change in credit rating, depositors will be given a chance to withdraw deposits without any penalty;
- the deposits shall be used only for the purposes indicated in the Circular or Circular in the form of Advertisement;
- the deposits accepted by the Company are unsecured and rank pari-passu with other unsecured liabilities of the Company.



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Note:

All the Directors of the Company have unanimously approved the Circular in the form of Advertisement (Form DPT-1) Inviting Deposits from Public / Shareholders, in the Board Meeting held on 27.05.2022.

The Circular is issued on the authority and in the name of Board of Directors of the Company.

(BY ORDER OF THE BORAD)

Place: Chennai
Date: 27/05/2022



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

A handwritten signature in black ink, appearing to read "Aravind Kumar.V" with a checkmark at the end.

AravindKumar.V
Company Secretary and Compliance Officer



APPLICATIONS FOR ACCEPTANCE / 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. Phone No.: 044 - 28555 171 – 176
2. Factory at Vuyyuru, Krishna District - 521 165, Andhra Pradesh.
3. Registered Brokers

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 orally in the Board Meeting held on 27/05/2022 through Video Conferencing
Ms.Kiran Velagapudi	Executive Director	Approved orally in the Board Meeting held on 27/05/2022 through Video Conferencing
Mr.K.R.Adivarahan	Independent Director	Approved orally in the Board Meeting held on 27/05/2022 through Video Conferencing
Dr.Vithal Rajan	Independent Director	Approved orally in the Board Meeting held on 27/05/2022 through Video Conferencing
Mr.M.S.V.M.Rao	Independent Director	Approved orally in the Board Meeting held on 27/05/2022 through Video Conferencing
Mr.Pratap K.Moturi	Independent Director	

// BY ORDER OF THE BOARD //

Place: Chennai

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

Date: 27.05.2022





Aravindkumar. V

Company Secretary and Compliance Officer

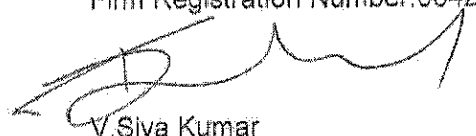
CERTIFICATE

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: 29/08/2022

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



V.Siva Kumar
Partner
Membership Number:022379
UDIN: 22022379AQEUJD1917

