



# The K.C.P. Limited

Registered Office: "Ramakrishna Buildings" No. 2, Dr. P.V. Cherian Crescent, Egmore, Chennai - 600 008. Ph. No. 6677 2600, 6677 2616, Fax No.6677 2620  
E.mail IDs : corporate@kcp.co.in/investor@kcp.co.in Website : www.kcp.co.in  
CIN:L65991TN1941PLC001128



## DEPOSIT SCHEMES (Unsecured)

For Public and Shareholders w.e.f. 01.09.2017

(Circular in the Form of Advertisement inviting deposits from Public and Shareholders pursuant to section 73 (2)(a) and section 76 and rule 4(1) and 4(2) of the Companies (Acceptance of Deposits) Rules, 2014).

The Company invites and accepts Deposits on the following broad terms:

SCHEME 1: FIXED DEPOSITS - INTEREST PAYABLE QUARTERLY			
Period	Rate of Interest P.A.	Minimum Amount of Deposit	Interest Payable
1 year	8.00%	Rs.21,000/-	Quarterly
2 years	8.50%	Rs.21,000/-	Quarterly
3 years	9.00%	Rs.21,000/-	Quarterly

SCHEME 2 : CUMULATIVE DEPOSITS - INTEREST PAYABLE ON MATURITY COMPOUNDED QUARTERLY				
Period	Rate of Interest P.A.	Minimum Amount of Deposit	Maturity Value*	Effective Yield*
1 year	8.00%	Rs.21,000/-	Rs.22,731/-	8.24%
2 years	8.50%	Rs.21,000/-	Rs.24,847/-	9.16%
3 years	9.00%	Rs.21,000/-	Rs.27,427/-	10.20%

\*\*Interest is payable subject to deduction of tax at source, wherever applicable.

### 1. GENERAL INFORMATION:

- Name, address, website and other contact details of the company : THE K.C.P. LIMITED, "RAMAKRISHNA BUILDINGS", NO.2, Dr. P.V. CHERIAN CRESCENT, EGMORE, CHENNAI - 600 008. TEL: 91 44 66772600, 66772616 FAX: 91 44 66772620; Email : investor@kcp.co.in Website: www.kcp.co.in
- Date of incorporation of the company : July 3, 1941
- Business carried on by the company and its subsidiaries with the details of branches or units, if any;

### Business carried on by the company

The Company is engaged in Manufacture of Cement, Heavy Industrial Machinery, Power Generation and in Hospitality Business.

### Details of branches or units

The Registered Office of the Company is situated at 'Ramakrishna Buildings' No.2, Dr P V Cherian Crescent, Egmore, Chennai - 600 008.

- The Cement Production Units are located at
  - Macherla - 522426, Guntur District, Andhra Pradesh
  - Ramakrishnapuram, Muktyala - 521175, Krishna District, Andhra Pradesh
- The Engineering Units are located at
  - Tiruvottiyur, Chennai - 600 019
  - Mosur Road, Ekhunagar, Arakkonam - 631004, Tamilnadu.
- The Power Generating Units are located at:
  - Hydel unit at B.No.AE-1, NSP Colony, Nekarikallu-522 615 in Guntur District, A.P.
  - Wind Mill at Uthumalai, Tirunelveli District, Tamilnadu.
  - Thermal Power Plant at Macherla - 522426, Guntur District, A.P.
  - Captive Power Plant at Muktyala, Ramakrishnapuram, Muktyala - 521175, Krishna District, Andhra Pradesh
  - Solar Power Plant at Muktyala, Ramakrishnapuram, Muktyala - 521175, Krishna District, Andhra Pradesh
- The Hotel Division (Mercury Hyderabad KCP) is located at:
  - No.6-3-551, Somajiguda, Hyderabad-500 082, Telangana

### Subsidiary and its business:

The Company has a subsidiary in Vietnam- KCP Vietnam Industries Limited which is engaged in Manufacture of Sugar.

### Brief particulars of the management of the company:

The Company is being managed by the Chairman & Managing Director, Joint Managing Director, Executive Director and Technical Director, subject to the superintendence, direction and control of the Board of Directors.

### e. Names, DIN, Address and Occupation of the Directors:

Name and DIN of the Director	Residential Address	Occupation
<b>Dr. V.I. Dutt</b> Chairman & Managing Director Din : 00143013	No.2, Dr. P.V. Cherian Crescent Egmore, Chennai 600 008	Business
<b>Smt. V.L. Indira Dutt</b> Joint Managing Director Din: 00139883	No.2, Dr. P.V. Cherian Crescent Egmore, Chennai 600 008	Business
<b>Smt. Kavitha Dutt Chitturi</b> Executive Director Din: 00139274	Old No.4, New No.7 First Crescent Park Road, Gandhi Nagar, Adyar, Chennai-600 020	Business
<b>Sri. V. Gandhi</b> Technical Director Din: 00140320	Plot No.72, Bhagyalakshmi Ngr Krishnamachari 6th St., Alapakkam, Porur, Chennai 600 116.	Company Executive
<b>Sri. O. Swaminatha Reddy</b> Director Din: 00006391	Plot No.813, (MCH No.234), Road No.41, Jubilee Hills Hyderabad 500 033	Chartered Accountant & Company Director
<b>Sri. V. H. Ramakrishnan</b> Director Din: 00143948	Flat 1005, Block 2A Smr Vinay City, Bollaram Road Miyapur, Hyderabad 500 049	Chartered Accountant & Company Director
<b>Sri. Vijay Sankar</b> Director Din: 00007875	194, T.T.K. Road, Chennai - 600 018	Chartered Accountant & Company Director
<b>Sri. P.S. Kumar</b> Director Din: 00267280	No. 5, Second Street, Wallace Gardens Chennai 600 006	Chartered Accountant & Company Director
<b>Sri. Narasimhappa Muttuluri</b> Director Din: 03319847	Pit No.22, Kamalapur Colony Phase I, Hyderabad 500 073	Company Director

### f. Management's perception of risk factors:

Both the classes of Deposits (Fixed/Cumulative) being Unsecured in nature but the Company has proven track record in servicing the Depositors till date, without any defaults either in repayment of deposit or payment of interest.

Pursuant to applicable provisions of the Companies Act, 2013 and rules made there under the company undertakes to deposit fifteen per cent of the amount of its deposits maturing during a financial year and the financial year next following in deposit repayment reserve account maintained with a Scheduled Bank and to provide Insurance Cover to the Depositors to the extent prescribed by the Companies (Acceptance of Deposits) Rules, 2014, as amended, once the product is available in the Market.

According to CRISIL rating report that the KCP group's business risk profile will improve over the medium term, driven by better profitability in the cement and sugar businesses, and reducing losses in the engineering division. The cement business witnessed steady volume growth of around 10% in fiscal 2016 compared to marginal fall in industry volume across South India. It is expected to benefit from sustained realizations driven by pricing discipline, and volume uptick due to higher infrastructure spending in core markets of Andhra Pradesh and Telangana. Also, stable demand in the sugar business carried out by the group's Vietnam subsidiary, coupled with enhanced capacity from fiscal 2017 onwards, will benefit cash flow over the medium term.

### g. Details of default, including the amount involved, duration of default and present status, in repayment of -

- statutory dues; : NIL
- debentures and interest thereon; : N.A.
- loan from any bank or financial institution and interest thereon. : NIL

### 2. PARTICULARS OF THE DEPOSIT SCHEME:

- Date of passing of board resolution : 22.05.2017
- Date of passing of resolution in the general meeting authorizing the invitation of such deposits : 11.08.2014
- Type of deposits, i.e., whether secured or unsecured : UNSECURED DEPOSITS
- Amount which the company can raise by way of deposits as per the Act and the rules made there under, and the aggregate of deposits actually held on the last day of the immediately preceding financial year and on the date of issue of the Circular or advertisement and amount of deposit proposed to be raised and amount of deposit repayable within the next twelve months;

Sl. No.	Category	Limits as on 31.03.2017	Aggregate of Deposits as on 31.03.2017**	Proposed to be raised as on 31.03.2017	Repayable in next twelve months as on 31.03.2017*
(Rs. in Lakhs)					
1	From Public	9817.51	5958.33	3859.18	2501.25
2	From Shareholder	3927.00	3272.69	654.31	1862.59
<b>TOTAL</b>		<b>13744.51</b>	<b>9231.02</b>	<b>4513.49</b>	<b>4363.84</b>

\*\*The aggregate of Deposits actually held on the last day of the immediately Preceding financial year, i.e. 31st March, 2017: Rs.92,31,02,000/-

Date of Circular or Advertisement : May 22, 2017

\*The aggregate amount of deposits repayable within the next twelve months as on the last day of the immediately preceding financial year, i.e., 31st March, 2017: Rs.43,63,84,000/- (which includes deposits matured and unclaimed amounting to Rs.1,50,05,000/-)

e) Terms of raising of deposits: Duration, Rate of interest, mode of payment and repayment;

### MAIN TERMS AND CONDITIONS APPLICABLE FOR BOTH THE SCHEMES

Minimum Amount of Deposit : Rs.21,000/- and thereafter in multiples of Rs.1000/- only

Term of Deposit : Deposits will be accepted for the Period of ONE/TWO/THREE Years.

Rate of Interest : 8.00% for 1 Year; 8.50% for 2 Years; 9.00% for 3 Years

Interest payable: Interest on deposits under Scheme I will be payable every quarter on 30th June, 30th September, 31st December, 31st March and under Scheme II interest will be payable on Maturity, compounded quarterly, by way of interest warrants which will be in the form of Account Payee cheques payable at par at specified branches of HDFC Bank only. NECS facility is also available for payment of interest.

Repayment of Principal : Deposits will be payable on maturity by way of A/c Payee Cheques payable at par. Premature withdrawals are generally not permitted. However, under special circumstances they may be considered at the discretion of the Company and subject to the Companies (Acceptance of Deposits) Rules, 2014.

Mode of Payment : Remittance for deposits will be accepted only by A/c Payee CHEQUES/ DEMAND DRAFTS drawn on Chennai Banks favouring "The KCP Limited". Demand Drafts charges are not deductible from the Principal. Outstation cheques will not be accepted. No deposit will be accepted by way of Cash.

Renewal of Deposit : Renewal will be considered on a fresh application accompanied with the duly discharged deposit receipt. Renewal will be accepted for the Principal amount only. In case of renewal, where the principal amount is less than the minimum of Rs.21000/-, the difference up to the minimum and the additional amount, if any, will be accepted in thousands by way of Cheque / Demand Draft favouring "The K.C.P. Limited" payable at Chennai.

The duly filled in Application Forms along with the necessary remittance should be sent to the Company's Registered Office at "Ramakrishna Buildings", No.2, Dr. P V Cherian Crescent, Egmore, Chennai-600 008.

### Detailed terms and conditions subject to which deposits are accepted by the Company are set out in the prescribed application forms for such deposits

f) Proposed time schedule mentioning the date of opening of the Scheme and the time period for which the circular or advertisement is valid:

Opening Date is 01.09.2017 and the time period for which this circular is valid is until the expiry of six months from the date of closure of the financial year 2017-18 or until the date of the next Annual General Meeting whichever is earlier.

g) Reasons or objects of raising the deposits:  
For meeting long term requirements of the Company and to augment the long term resources.

h) Credit rating obtained; Name of the Credit Rating Agencies, Rating obtained, Meaning of the rating obtained, Date on which rating was obtained.  
Yes, Crisil FA/(Stable) dt. 31.07.2017

i) Extent of deposit insurance, Name of the Insurance Company, terms of the insurance coverage, duration of coverage, extent of coverage, procedure for claim in case of default etc.  
We, THE K.C.P. LTD., undertake to provide necessary Insurance Coverage once the product is available in the Market.

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, Key Managerial Personnel and their relatives are concerned or interested.

### 3. DETAILS OF ANY OUTSTANDING DEPOSITS AS ON 31.03.2017:

- Amount Outstanding : Rs.92,31,02,000/-
- Date of acceptance : Accepted on different dates
- Total amount accepted during the year 2016-17 : Rs.36,41,00,000 (Fresh/Renewal acceptance)
- Rate of interest : 8%, 8.5%, 9%, 9.5%, 10%, 10.25%, 10.50%, 10.75% & 11.00%
- Total number of depositors : 5905 Nos.
- 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
- Any waiver by the depositors, of interest accrued on deposits : NIL

### 4. FINANCIAL POSITION OF THE COMPANY FOR THE LAST THREE YEARS:-

PARTICULARS	As at 31.03.2017 Rs.	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	12,89,21,160	12,89,21,160	12,89,21,160
Reserves & Surplus	4,04,14,55,661	3,75,54,40,982	3,45,92,48,692
	4,17,03,76,821	3,87,43,62,142	3,58,81,69,852
<b>Non-Current Liabilities</b>			
Long-term Borrowings	2,22,57,65,405	2,53,98,99,996	3,18,28,80,157
Trade Payables	2,71,25,914	2,71,25,914	1,57,44,519
Deferred Tax Liability (Net)	1,01,05,90,392	87,20,34,197	65,97,85,544
Other Long-Term Liabilities	36,20,42,267	35,62,46,467	37,23,99,056
Long-Term Provisions	10,86,26,042	4,44,04,923	4,24,51,813
	3,73,41,50,020	3,83,97,11,497	4,27,32,61,089
<b>Current Liabilities</b>			
Short-Term Borrowings	83,91,55,357	46,79,12,086	41,52,13,181
Trade Payables			
Due to Micro & Small Enterprises	7,68,573	16,67,135	16,36,487
Due to Others	38,35,87,004	28,03,16,793	47,45,67,861
Other Current Liabilities	2,02,56,89,958	1,87,60,54,816	1,57,64,52,064
Short Term Provisions	12,35,52,701	16,25,14,542	19,07,64,279
	3,37,27,53,593	2,78,84,65,372	2,65,86,33,872
<b>TOTAL</b>	<b>11,27,72,80,435</b>	<b>10,50,25,39,010</b>	<b>10,52,00,64,813</b>

PARTICULARS	As at 31.03.2017 Rs.	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.
<b>II. ASSETS</b>			
<b>Non-Current Assets</b>			
<b>Fixed Assets</b>			
Tangible Assets	6,86,45,65,940	7,03,91,02,087	5,91,90,40,148
Intangible Assets	1,45,59,726	1,68,86,081	47,07,055
Capital Work-in-Progress	43,88,56,258	10,53,49,002	1,02,48,70,413
Non-current Investments	28,91,70,327	28,91,02,228	28,90,50,808
Deferred Tax Assets (Net)	-	-	-
Long Term Loan & Advances	1,03,99,98,400	73,64,72,251	51,41,67,332
Trade Receivables	4,38,60,140	1,58,44,415	56,02,414
Other Non-Current Assets	24,38,239	11,08,287	5,23,239
	8,69,34,49,030	8,20,38,64,351	7,75,79,61,409
<b>Current Assets</b>			
Current Investments	-	-	-
Inventories	1,17,25,19,892	1,20,92,43,368	1,47,91,15,863
Trade Receivables	32,14,71,278	30,21,33,335	15,95,87,848
Cash and Bank Balances	22,42,72,049	18,87,88,903	32,81,44,247
Short Term Loans & Advances	85,76,97,983	59,11,74,405	71,68,91,493
Other Current Assets	78,70,203	73,34,649	7,83,63,953
	2,58,38,31,405	2,29,86,74,659	2,76,21,03,404
<b>TOTAL</b>	<b>11,27,72,80,435</b>	<b>10,50,25,39,010</b>	<b>10,52,00,64,813</b>

a. Profits of the company, before and after making provision for tax, for the three financial years immediately preceding the date of issue of circular or advertisement; (Rs. in lacs)

For the year Ended	Profit/(Loss) before tax	Profit/(Loss) after tax
31.03.2015	2362.55	1586.58
31.03.2016	6512.38	4286.02
31.03.2017	4714.53	2960.15

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 on interest paid)

For the year Ended	Dividend Declared (Equity)	Dividend (%)	Dividend Declared (Preference Shares)	Interest Coverage Ratio
31.03.2014	128.92	10	153.99	1.79
31.03.2015	966.91	75	66.28	2.19
31.03.2016	1289.21	100	N.A	3.30

The Board of Directors of the Company, at their Meeting held on 22nd May, 2017 has recommended for the approval of shareholders at the ensuing Annual General Meeting a dividend of Rs.2/- for equity share of Rs.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; Particulars provided in page no.8

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

e. Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company. NIL

### 5. DECLARATION BY THE DIRECTORS

The Board hereby declares:-

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;

b. The Board of Directors have 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 the 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 Company has accepted public deposits under the relevant provisions of the Companies Act, 1956 and rules made under that Act (hereinafter known as "Earlier Deposits") and has been repaying such deposits and interest thereon in accordance with such provisions and will continue to repay such deposits and interest due thereon on due dates for the remaining period of such deposits in accordance with the terms and conditions and period of such Earlier Deposits and in compliance with the requirements under the Companies Act, 2013 and rules made there under.

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 (other than the secured deposits, if any, aggregate amount of which to be indicated) are unsecured and rank pari passu with other unsecured liabilities of the company.

### NOTE

The text of this advertisement has been approved by the Board of Directors of the Company in their meeting held on May 22, 2017.

A copy of this advertisement signed by a majority of the Directors on the Board of Directors of the Company, has been filed with the Registrar of Companies, Tamil Nadu, Chennai - 600 006 as required by the Companies (Acceptance of Deposits) Rules, 2014 as amended.

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

(BY ORDER OF THE BOARD)

FOR THE K.C.P. LIMITED

(Y VIJAYAKUMAR)

COMPANY SECRETARY

Chennai - 600 008

May 22, 2017

### APPLICATIONS FOR ACCEPTANCE AND RENEWAL OF DEPOSITS ARE ALSO AVAILABLE AT:-

- The K.C.P. Limited, Macherla 522 426, Guntur District, A.P. Phone No.08642-222302-222305.
- The K.C.P. Limited, "Ramakrishnapuram", Jaggayyapet Mandal, Muktyala - 521 457, Krishna District, A.P. Phone No.08654-296006-296008
- The K.C.P. Limited, 10/3, SarvaPriyaVihar, II Floor, New Delhi-110 066. Phone No.011-26567217.
- The K.C.P. Limited, 201, Hubtown Viva, Off. Western Express Highway, Jogeshwari East, Mumbai-400 060. Phone No.09322597037
- The K.C.P. Limited, H.No.8-3-293/82/NL/10, Plot No.10, Road No.10C, MLA & MP Colony, Y R Guda, Jubilee Hills, Hyderabad-500 033; Phone No.040-23253502/503
- The K.C.P. Limited, D.No.60-7-7, I Floor, Padma Apartments, 4th Lane, Siddhartha Nagar, Vijayawada - 520 010 - Phone No.98496 97824/25

All correspondence with regard to deposits should be addressed to Registrars to the Deposit Schemes:-



M/s. INTEGRATED REGISTRY MANAGEMENT SERVICES PRIVATE LIMITED  
2nd Floor, "Kencos Towers", No.1, Ramakrishna Street  
Off. North Usman Road, T. Nagar, Chennai - 600 017.  
Phone Nos.: 2814 0801 - 2814 0803; Fax : 2814 2479  
CIN U704900TN2015PTC101466

