



The K.C.P. Limited
 Registered Office: "Ramakrishna Buildings," 2, Dr. P.V.Cherian Crescent,
 Egmore, Chennai - 600 008, INDIA Phone: + 91 44 6677 2600
 E-mail: investor@kcp.co.in www.kcp.co.in
 CIN: L65991TN1941PLC001128



DEPOSIT SCHEMES (Unsecured)

For Public and Shareholders
w.e.f. 18.08.2023

(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, as amended)

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	7.50%	Rs.21,000/-	Quarterly
2 years	8.00%	Rs.21,000/-	Quarterly
3 years	8.50%	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	7.50%	Rs.21,000/-	Rs.22,620/-	7.71%
2 years	8.00%	Rs.21,000/-	Rs.24,605/-	8.58%
3 years	8.50%	Rs.21,000/-	Rs.27,027/-	9.57%

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

1. GENERAL INFORMATION:
A. Name, address, website and other contact details of the company:
 THE KCP LIMITED, Registered Office: 'Ramakrishna Building,' 2 Dr. P.V. Cherian Crescent, Egmore, Chennai-600 008, INDIA, Ph. No. 66772600;
 E-mail ID : investor@kcp.co.in Website : www.kcp.co.in
 CIN : L65991TN1941PLC001128

CRISIL Rating: A+ / Negative
 The rating agency CRISIL Ratings Ltd. has revised the ratings of Fixed Deposits of the Company to A+/Negative w.e.f.25/04/2023 from A+/Stable.

B. Date of incorporation of the company : July 3, 1941
C. Business carried on by the company and its subsidiaries with the details of branches or units, if any;

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; : N.A.
 iii) loan from any bank or financial institution and interest thereon : NIL

Business carried on by the company
 The Company is engaged in Manufacture of Cement, Heavy Industrial Machinery, Power Generation and in Hospitality Business.

2. PARTICULARS OF THE DEPOSIT SCHEME:
 a) Date of passing of board resolution : 24.05.2023
 b) Date of passing of resolution in the general meeting authorizing the invitation of such deposits : 11.08.2014
 c) Type of deposits, i.e., whether secured or unsecured : UNSECURED DEPOSITS
 d) 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:

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.
 (a) The Cement Production Units are located at
 • Macherla - 522426, Palnadu District, Andhra Pradesh
 • Ramakrishnapuram, Muktyala - 521 175, NTR District, Andhra Pradesh
 (b) The Cement Packing Terminal is located at
 • * Mosur Road, Ekhnagar, Arakonam - 631004, Tamilnadu
 (c) The Engineering Units are located at
 • Tiruvottiyur, Chennai - 600 019
 • Mosur Road, Ekhnagar, Arakonam - 631 004, Tamilnadu.
 (d) The Power Generating Units are located at
 • Hydrel unit at B.No. AE-1, NSP Colony, Nekarikallu - 522 615 in Palnadu District, A.P.
 • Wind Mill at Uthumalai, Tirunelveli District, Tamilnadu.
 • Thermal Power Plant (Waste Heat Recovery) at Macherla - 522 426, Palnadu District, A.P.
 • Thermal Power Plant at Muktyala, Ramakrishnapuram, Muktyala - 521 175, NTR District, Andhra Pradesh
 • Solar Power Plant at Ramakrishnapuram, Muktyala - 521 175, NTR District, A.P.
 (e) The Hotel Division (Mercure Hyderabad KCP) is located at
 • No.6-3-551, Somajiguda, Hyderabad - 500 082, Telegana

Sl. No.	Category	Limits as on 31.03.2023	Aggregate of Deposits as on 31.03.2023**	Proposed to be raised as on 31.03.2023	Repayable in next twelve months as on 31.03.2023*
(Rs. in Lakhs)					
1	From Public	16495.97	3861.68	12634.29	1534.01
2	From Shareholder	6598.39	4811.49	1786.90	1872.72
TOTAL		23094.36	8673.17	14421.19	3406.73

** The aggregate of Deposits actually held on the last day of the immediately preceding financial year, i.e. 31st March, 2023 is : **Rs.86,73,17,000 /-**
 Date of Circular or Advertisement : **May 24, 2023**
 * 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, 2023 : **Rs.34,06,73,000/-** (which includes deposits matured and unclaimed amounting to **Rs.2,43,93,000/-**). Out of said matured & unclaimed deposits, the company has renewed **Rs.49,71,000/-** and deposits repaid for **Rs.46,54,000/-** as on date of circular.

Subsidiary and its business:
 The Company has a subsidiary in Vietnam-KCP Vietnam Industries Limited which is engaged in Manufacture of Sugar.

e) Terms of raising of deposits: Duration, Rate of interest, mode of payment and repayment: Refer page 1 and page 2 of the application form.

D. Brief particulars of the Management of the Company:
 The Company is being managed by Chairperson & Managing Director and Joint Managing Director, subject to the superintendence, direction and control of the Board of Directors.

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 : 7.50% for 1 Year; 8.00% for 2 Years; 8.50% 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 & NEFT facility is also available for payment of interest.
Repayment of Principal Amount : Deposits will be payable on maturity by way of A/c Payee Cheques payable at par only. 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 Payment.
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.21,000/-, 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.

E. Name, DIN, Address and Occupation of the Directors:		
Name and DIN of the Director	Residential Address	Occupation
Dr. V.L. Indira Dutt Chairperson & Managing Director DIN: 00139883	No.2, Dr. P.V. Cherian Crescent Egmore, Chennai 600 008	Business
Smt. V. Kavitha Dutt Joint Managing Director DIN: 00139274	Old No.4, New No.7, First Crescent Park Road, Gandhi Nagar, Adyar, Chennai 600 020	Business
Sri. P.S. Kumar Director DIN: 00267280	No. 5, Second Street, Wallace Gardens Chennai 600 006	Chartered Accountant & Company Director
Sri. V.H. Ramakrishnan Director DIN: 00143948	Flat 1005, Block 2A, SMR Vinay City, Bollaram Road Miyapur, Hyderabad 500 049	Chartered Accountant & Company Director
Sri. Vijay Sankar Director DIN: 00007875	194, T.T.K. Road, Alwarpet, Chennai 600 018	Chartered Accountant & Company Director
Sri. Narasimhappa Muttuluri Director DIN: 03319847	Plot No.22, Kamalapur Colony Hyderabad 500 073	Company Director
Smt. Janaki Pillai Director DIN: 0008713712	Flat No.6, Sangilla Apartments No.5 Orur Olcott Road Besant Nagar, Chennai 600 090	Company Director
Sri V. Chandrakumar Prasad Director DIN: 0008744154	11747, Preston Trails Ave, Northridge, US 91326	Company Director
Sri Subbarao Vallabhaneni Director DIN: 0008746927	631, Farmdale Road, Franklinlakes, US 07417	Company Director
Sri Ravi Chitturi Director DIN: 00328364	No.7, First Crescent Park Road, Gandhi Nagar, Adyar Chennai 600 020.	Company Director

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 18.08.2023 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 2023-24 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 Ratings Limited A+ / Negative dt.25/04/2023 revised from A+/Stable
 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.
NOT APPLICABLE
 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.

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, as amended, the company undertakes to depositing, on or before the thirtieth day of April each year, such sum which shall not be less than twenty percent. of the amount of the deposits maturing during the following financial year in deposit repayment reserve account maintained with a Scheduled Bank.
 According to CRISIL rating rationale, our Financial risk profile is backed by steady cash accrual, healthy capital structure and comfortable debt protection metrics.
Risks:
Risk Performance of the Engineering and Hotel Businesses:
 The engineering and capital goods industry is highly vulnerable to economic cycles owing to linkages to the capital expenditure (capex) plans of customers , which are affected by slowdown in industrial growth. Despite healthy order book profitability of the engineering division may remain subdued because of intense competition.
 The Company also has operations under the hospitality segment since April 2016 (via a four star hotel - Mercure in Hyderabad). The occupancy rate of the hotel improved during first nine months of fiscal 2023 along with increase in average room rate as it recovered from Covid-19 pandemic led disruptions. However, this segment remains inherently weaker than sugar & cement.
 Although, performance in both the aforementioned segments is expected to improve in fiscal 2024, but overall impact on the financial risk profile is expected to be minimal, as contribution from these segments is low in terms of revenue and profitability.
Susceptibility to business cycles and continuing demand supply mismatch in South Indian cement markets.
 Capacity addition to the cement industry tends to be sporadic because of the long gestation period for setting up a facility and numerous players adding capacity during the peak of the cycle. This has led to unfavourable price cycles for the sector in the past. Moreover, profitability remains exposed to volatility in input prices, including raw material power, fuel and freight. Increase in coal and pet coke prices in the second half of the fiscal 2022 and during fiscal 2023 impacted the profitability of all cement players. Realisations and profitability are also affected by demand, supply , offtake and regional factors.

3. DETAILS OF ANY OUTSTANDING DEPOSITS AS ON 31.03.2023 :
 a. Amount Outstanding : **Rs.86,73,17,000/-**
 b. Date of acceptance : **Accepted on different dates**
 c. Total amount accepted during the year 2022-23 : **Rs.35,77,78,000/- (Fresh/Renewal acceptance)**
 d. Rate of interest : 6.5%, 7%, 7.5%, 8%, 8.5%, 9%, 9.5%, 10%, 10.25%, 10.50%, 10.75% & 11%
 e. Total number of depositors : **3071 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 FOR THE LAST THREE YEARS
(Rs. in Lakhs)

PARTICULARS	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
I. ASSETS			
1. Non-Current Assets			
(a) Property, Plant and Equipment	81,445.41	85,844.02	88,255.47
(b) Capital work-in-progress	602.16	423.60	1,959.38
(c) Investment Property	-	-	0.47
(d) Other Intangible Assets	499.47	538.48	551.13
(e) Financial Assets			
(i) Investments	2,701.26	2,893.34	2,890.60
(ii) Trade Receivables	434.14	215.61	544.62
(iii) Loans	-	-	-
(iv) Others financial assets	3,002.47	3,768.88	12.14
(f) Deferred Tax Assets (Net)	-	-	-
(g) Other Non-current Assets	1,921.00	1,107.69	1,000.72
2 Current assets			
(a) Inventories	20,731.39	18,228.89	11,929.20
(b) Financial Assets			
(i) Investments	-	-	-
(ii) Trade Receivables	7,546.01	6,720.78	6,319.93
(iii) Cash and cash equivalents	34.94	209.57	171.63
(iv) Bank balances other than (iii) above	11,645.77	20,021.47	18,084.78
(v) Other financial assets	3,417.66	94.10	536.35
(c) Current Tax Assets (Net)	1,346.83	796.91	1,237.55
(d) Other current assets	7,425.46	9,995.18	5,538.97
Assets held for Sale	-	0.48	-
Total Assets	1,42,753.97	1,50,858.99	1,39,032.93
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	1,289.21	1,289.21	1,289.21
(b) Other Equity	67,075.93	71,071.93	60,650.28
(c) Deferred Government Grant	24.44	26.43	28.42
Liabilities			
1 Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	13,097.58	17,889.24	24,775.61
(ia) Lease Liabilities	243.90	249.60	248.83
(ii) Trade Payables	-	-	-
Due to Micro and Small Enterprises Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	271.26
(iii) Other financial liabilities	2,082.11	1,521.93	1,343.77
(b) Provisions	1,445.32	1,375.83	1,292.29
(c) Deferred Tax Liabilities (Net)	8,179.69	8,815.87	7,067.54
(d) Other non-current liabilities	-	-	-
2 Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	16,769.63	15,741.74	14,607.66
(ia) Lease Liabilities	4.67	4.73	31.02
(ii) Trade payables			
Total outstanding dues of micro enterprises and small enterprises	252.60	245.00	334.03
Total outstanding dues creditors other than micro enterprises and small enterprises	9,571.96	8,383.34	7,270.82
(iii) Other financial liabilities	18,329.57	20,100.46	16,041.28
(b) Other current liabilities	3,643.12	3,379.46	3,322.83
(c) Provisions	744.26	764.23	458.07
(d) Current tax liabilities (Net)	-	-	-
Total Equity and Liabilities	1,42,753.97	1,50,858.99	1,39,032.93

The accompanying notes form and integral part of the financial statements

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;

For the year Ended	Profit/(Loss) before tax	Profit/(Loss) after tax
31.03.2021	21675.52	15332.15
31.03.2022	18208.03	12930.20
31.03.2023	(3120.77)	(2553.58)

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
31.03.2020	193.38	15	N.A.	1.82
31.03.2021	2578.42	200	N.A.	8.00
31.03.2022	1289.21	100	N.A.	8.87

The Board of Directors of the Company, at their Meeting held on **24th May, 2023** has recommended for the approval of shareholders at the ensuing Annual General Meeting a dividend of **Rs. 0.10 paise (10%)** 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;
Provided under point no.4
 d. Audited Cash Flow Statement for the two years immediately preceding the date of issue of circular or advertisement; **Attached**
 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 24, 2023.
 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 24, 2023

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

- The K.C.P. Limited, Macherla 522 426, Palnadu District, A.P., Phone No. 08642-222302/305
- The K.C.P. Limited, "Ramakrishnapuram", Jaggayyapet Mandal, Muktyala - 521 457, NTR District, A.P., Phone No.08654-296006/008
- The K.C.P. Limited, H.No.8-3/293/82/NL/10, Plot No.10, Road No.10C, MLA & MP Colony, Gayathri, Jubilee Hills, Hyderabad-500 033, Telangana, 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, NTR District, A.P., Phone No.98496 97824/825

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, "Kences Towers", No.1, Ramakrishna Street
 Off. North Usman Road, T. Nagar, Chennai - 600 017.
 Phone Nos. : + 91 44 2814 0801 - 2814 0803;
 Fax : + 91 44 2814 2479 CIN : U74900TN2015PTC101466

