



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

CIN: L15421TN1995PLC033198

**Twenty Sixth Annual Report
2020 – 2021**

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Board of Directors**WHOLE-TIME DIRECTORS****DIN**

Mr.Vinod R. Sethi	Executive Chairman	00106598
Ms.Irmgard Velagapudi	Managing Director	00091370
Ms.Kiran Velagapudi	Executive Director	00091466

NON WHOLE-TIME DIRECTORS**DIN**

Dr.Vithal Rajan	Independent Director	00021571
Mr.M.S.V.M.Rao	Independent Director	00432640
Mr.Pratap K. Moturi	Independent Director	00020630
Mr.K.R.Adivarahan	Independent Director	00019844

Committees of Board of Directors

Audit Committee	Nomination and Remuneration Committee	Stakeholders Relationship Committee	CSR Committee
Chairman Mr.M.S.V.M.Rao Members Mr.Vinod R.Sethi Dr.Vithal Rajan Mr.Pratap K.Moturi Mr.K.R.Adivarahan	Chairman Dr.Vithal Rajan Members Mr.Vinod R.Sethi Mr.K.R.Adivarahan	Chairman Mr.K.R.Adivarahan Members Ms.Irmgard Velagapudi Ms.Kiran Velagapudi	Chairman Ms.Irmgard Velagapudi Members Mr.Vinod R.Sethi Mr.M.S.V.M. Rao Mr.K.R.Adivarahan

Registered and Corporate Office

'Ramakrishna Buildings',
No.239, Anna Salai, Chennai - 600 006.
Tel : 044 - 28555171 to 76
e-mail : secretarial@kcpsugar.com
Website: www.kcpsugar.com

Date of Incorporation**11/10/1995****Plant Location****Vuyyuru, Krishna District, Andhra Pradesh**

Sugar, Incidental Cogeneration Power, Industrial Alcohol,
Ethanol, Bio-Fertilizers, Carbon dioxide and Calcium Lactate

Subsidiaries

- 1. The Eimco – K.C.P. Limited**
- 2. KCP Sugars Agricultural Research Farms Limited**

Bankers	State Bank of India ICICI Bank Limited Axis Bank Limited HDFC Bank Limited Kotak Mahindra Bank Limited CTBC Bank Co., Ltd.,
Chief Financial Officer	Mr.R.Ganesan
Company Secretary and Compliance Officer	Mr.S.Chidambaram (till 16/11/2020) Ms.S.Jeba Elavarasi (from 10/02/2021)
Statutory Auditor	M/s.Suri & Siva (FRN: 004284S) Chartered Accountants, C – 8, 3 rd Floor, Shanti Apartments, New No.18, 1 st Cross Street, T.T.K.Road, Alwarpet, Chennai - 600 018.
Cost Auditor	M/s.SRR & Associates (FRN: 000992) Cost Accountants, No.20, Valluvar Street, 2 nd Floor, Thiru Nagar, Jafferkhanpet, Chennai - 600 083.
Secretarial Auditor	Ms.Jayashree S Iyer (M.No.: F10394) Practising Company Secretary, No.23, Lake Area, 3 rd Cross Street, Nungambakkam, Chennai – 600 034.
Internal Auditor	Mr.S.Manisekaran (M.No.: 026400) Chartered Accountant, 'Venkatesam', No.20/22, Ramanujam Street, Nungambakkam, Chennai - 600 034.
Registrar to Deposits	Being handled In-House at the Registered Office of the Company
Share Transfer Agent and Depository Registrar	Integrated Registry Management Services Private Limited 2 nd Floor, 'Kences Towers', No.1, Ramakrishna Street, T.Nagar, Chennai – 600 017. Tel : 044 - 28140801 to 03 Fax : 044 - 28142479 e-mail: corpserv@integratedindia.in

Particulars	Year Ended									
	Rs. in Lakhs (except Ratios)									
	31.03.2021	31.03.2020	31.03.2019	31.03.2018	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
Share Capital	1133.85	1133.85	1133.85	1133.85	1133.85	1133.85	1133.85	1133.85	1133.85	1133.85
Reserves and Surplus	25902.58	24054.55	25290.02	24372.21	24769.55	20818.26	20283.62	22427.96	20789.08	18239.51
Net Worth	27036.43	25188.40	26423.87	25506.06	25903.40	21952.11	21417.47	23561.81	21922.93	19373.36
Fixed Assets (Net)	8723.69	8598.51	9171.14	9384.20	10135.12	9879.55	10713.37	11318.80	11713.94	12243.89
Gross Income	34415.40	36577.37	33060.10	38771.27	46290.34	39917.43	41645.59	35716.56	43460.93	34760.85
Gross Profit / (Loss)	4132.21	1159.50	5247.23	1600.03	9035.27	2587.97	(1301.80)	4892.66	7215.30	4892.15
Depreciation	588.50	739.49	827.38	894.06	918.32	1025.50	1031.07	1109.40	1087.40	1082.87
Finance Cost	2387.32	2148.91	1863.78	1440.73	1128.40	684.45	421.38	455.47	567.58	634.16
Profit / (Loss) before Tax	1156.39	(1728.90)	2556.07	(734.76)	6988.55	878.02	(2754.25)	3327.79	5560.32	3175.12
Profit / (Loss) after Tax	1916.36	(1115.07)	1019.94	836.53	5488.75	875.81	(1617.00)	2766.45	3876.13	2642.50
Other Comprehensive Income	45.04	16.29	34.57	(5.66)	(1.72)	Indian Accounting Standards (Ind AS) was adopted from the F.Y. 2017 - 2018				
Total Comprehensive Income	1961.41	(1098.78)	1054.51	830.87	5487.03					
Earnings per Share (Rs.)	1.73	(0.97)	0.90	0.73	4.84	0.77	(1.43)	2.44	3.42	2.33
Cash Earnings per Share (Rs.)	2.25	(0.32)	1.63	1.52	5.65	1.68	(0.52)	3.42	4.38	3.29
Book Value per Share (Rs.)	23.84	22.21	23.30	22.50	21.08	19.36	19.01	20.78	19.33	17.09
Dividend on Equity %	10.00	10.00	10.00	10.00	90.00	25.00	10.00	85.00	100.00	70.00
Debt Equity Ratio	0.36	0.31	0.18	0.16	0.19	0.21	0.26	0.21	0.09	0.26

SEASON WISE CANE CRUSHED, SUGAR BAGGED AND RECOVERY

SEASON	2020 - 21	2019 - 20	2018 - 19	2017 - 18	2016 - 17	2015 - 16	2014 - 15	2013 - 14	2012 - 13	2011 - 12
Aggregate Cane Crushed (in MTS)	411324	705446	1182414	891450	647190	1183340	1103513	1088782	996740	1153421
Aggregate Sugar Bagged (in QTLS)	380990	641239	1126728	844273	587981	1107133	1024720	1095938	984988	1101387
Average Recovery (%)	9.27	9.09	9.53	9.47	9.09	9.36	9.29	10.07	9.88	9.55

secretarial@kcpsugar.com
www.kcpsugar.com

K.C.P.Sugar and Industries Corporation Limited

CIN: L15421TN1995PLC033198

'Ramakrishna Buildings',

No.239, Anna Salai,

Chennai - 600 006.

June 28, 2021

Dear Member,

We trust that you are keeping safe and healthy during these tough times. We will hope for better in the near future.

Owing to the second wave of Covid Pandemic and lockdowns and physical meetings not being advisable and enabling notifications of Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI), the Annual General Meeting will be held through Video Conferencing. In this scenario, we pledge to ensure that the rights of shareholders are duly protected.

You are cordially invited to attend the 26th Annual General Meeting of the Company to be held on Monday, the 27th Day of September, 2021 at 10 AM through Video Conferencing.

Annual Report for the Financial Year 2020 - 2021, inter-alia, containing Notice of Annual General Meeting and Audited Financial Statements, Directors' Report and Auditor's Report, is attached hereto.

Detailed instructions for attending the Annual General Meeting through Video Conferencing and casting of vote by e-Voting is also attached herewith.

Stay Safe. Stay Healthy.

Wish you a healthy way ahead.

Very truly yours,

VINOD R.SETHI

EXECUTIVE CHAIRMAN

DIN: 00106598

NOTICE is hereby given that the **TWENTY SIXTH ANNUAL GENERAL MEETING** of K.C.P.Sugar and Industries Corporation Limited will be held through Video Conferencing on Monday, the 27th Day of September, 2021 at the Registered Office of the Company at No.239, Anna Salai, Chennai – 600 006 at 10AM to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company along with Audited Consolidated Financial Statements of the Company and its Subsidiaries for the Financial Year ended 31/03/2021 together with the Reports of Auditor and Board of Directors thereon;
2. To declare Dividend at the rate of 10% on the face value of the Equity Shares of the Company;
3. To appoint a Director, in the place of Ms.Kiran Velagapudi (DIN:00091466) who retires by rotation and being eligible, offers herself for reappointment.

SPECIAL BUSINESS:

4. **Borrowing Powers:**

To consider and if thought fit, to pass with or without modification(s), the following resolutions as **Special Resolutions:**

“RESOLVED THAT in supersession of earlier resolutions, passed in this regard and pursuant to the provisions of Section 180 (1) (c) of the Companies Act, 2013, the approval of the Members of the Company, be and is hereby accorded to borrow, from time to time, any sum of money which together with the money already borrowed by the Company (excluding temporary loans, in terms of the said Act, if any, obtained or to be obtained by the Company from the Company's Bankers in the ordinary course of business) shall not exceed Rs.300 Crores (Rupees Three Hundred Crores Only), over and above the aggregate of the paid-up share capital, free reserves and securities premium account, at any time.”

“RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorised to exercise the powers vested in the above resolution, at the time and in the manner, as it considers prudent in the best interest of the Company and do such acts and deeds, as may be necessary in furtherance of the same.”

5. **Minimum Remuneration paid to Managerial Personnel:**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

“RESOLVED THAT in terms of Section 197 (10) of the Companies Act, 2013, the Minimum Remuneration of a sum of Rs.27,69,647/- (Rupees Twenty Seven Lakhs Sixty Nine Thousand Six Hundred and Forty Seven Only) paid to Ms.Kiran Velagapudi, Executive Director of the Company for the period 29/07/2020 to 31/03/2021 during the financial year 2020 – 2021, the fourth year of inadequate profits, during her tenure covering 29/07/2017 to 28/07/2022, be and is hereby ratified.”

6. Acceptance of Deposits:

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to and subject to the provisions of Section 76 of the Companies Act, 2013 read with Section 73 of the Companies Act, 2013 and applicable provisions of the Companies (Acceptance of Deposits) Rules, 2014, the approval of the Members of the Company, be and is hereby accorded to invite, accept and renew, from time to time, Unsecured Deposits from Shareholders and Public on such terms and conditions as set forth in the Circular in the form of Advertisement in Form DPT-1, annexed hereto.”

7. Remuneration to Cost Auditor:

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration of a sum of Rs.1,64,500/- (Rupees One Lakh Sixty Four Thousand and Five Hundred Only), exclusive of applicable GST and reimbursement of travel and out of pocket expenses, payable to M/s.SRR & Associates, Cost Accountants, Chennai (FRN 000992), for conducting Cost Audit for the financial year ending 31/03/2022, as approved by the Board of Directors based on the recommendation of Audit Committee, be and is hereby ratified.”

// BY ORDER OF THE BOARD//

Place : Chennai

Date : 28/06/2021

**VINOD R.SETHI
EXECUTIVE CHAIRMAN
DIN: 00106598**

NOTES:

1. The Statement setting out the material facts concerning each item of special business to be transacted at the Annual General Meeting, in terms of Section 102 of the Companies Act, 2013, is enclosed hereto. Relevant documents as referred to in the Notice of Annual General Meeting and the said Statement will be available for online inspection at the Website of the Company till the conclusion of the Annual General Meeting. For online inspection, go to / click on the following Website Link www.kcpsugar.com.
2. M/s.Integrated Registry Management Services Private Limited, 2nd Floor, 'Kences Towers', No.1, Ramakrishna Street, T.Nagar, Chennai – 600 017 is the Share Transfer Agent and Depository Registrar of the Company (hereinafter referred to as “Registrar of the Company”).
3. Remote e-Voting: Pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company provides facility to Members to exercise their voting rights by Remote e-voting in respect of businesses set out in the Notice of Annual General Meeting. The manner in which the Members shall cast their vote by Remote e-Voting is provided in 'Instructions for e-Voting and attending the AGM through Video Conferencing' at Page No.245 of this Annual Report.
4. The Ministry of Corporate Affairs vide their General Circular No.02/2021 dated 13/01/2021 had continued to allow the Companies to conduct their Annual General Meeting through Video Conferencing due to the pandemic caused by Covid-19.
5. Detailed instructions for attending the Annual General Meeting held through Video Conferencing and casting of vote by e-Voting are provided at Page No. 245 of this Annual Report.
6. Members may post their questions by email addressed to secretarial@kcpsugar.com, not less than 2 days before the date of Annual General Meeting by providing relevant Membership details for the purpose of identification including Name, Folio Number / Client ID / DP ID and the same will be addressed by the Company in the Annual General Meeting, suitably.
7. The facility to join the Annual General Meeting held through Video Conferencing will be open, 15 minutes before the time scheduled for Annual General Meeting till the expiry of 15 minutes after the time scheduled for Annual General Meeting.
8. Members may please note that Annual General Meeting held through Video Conferencing can accommodate only 1000 Members. Hence, Members will be allowed to participate in the Annual General Meeting on first come, first served basis.
9. Proxies are not allowed to join and participate in the Annual General Meeting held through Video Conferencing as per the Guidelines of Ministry of Corporate Affairs.
10. Institutional Shareholders are required to send scanned copy of relevant Board Resolution / Authority Letter with attested specimen signature of Authorised Signatory(ies), authorising persons to vote on behalf of the respective Institutional Shareholder, to the Scrutiniser by email to jayashree2505@gmail.com, with a copy marked to evoting@nsdl.co.in.

11. All the Members who have joined the Annual General Meeting through Video Conferencing will be counted for the purpose of Quorum.
12. Members who have cast their vote by Remote e-Voting may attend the Annual General Meeting through Video Conferencing but cannot vote during the Annual General Meeting.
13. Only those Members who have joined the Annual General Meeting through Video Conferencing and have not casted their vote by Remote e-Voting can cast their vote by e-Voting at the Annual General Meeting during such time as informed by the Chairman of the Annual General Meeting.
14. Members shall be entitled to one vote for every one share held by him / her / it in the Company.
15. Register of Directors and Key Managerial Personnel and their Shareholding as maintained in terms of Section 170 of the Companies Act, 2013 and relevant Rules made thereunder will be available for online inspection in the Website of the Company, one day before the date of Annual General Meeting till the conclusion of the Annual General Meeting. For online inspection, go to / click on the following Website Link www.kcpsugar.com.
16. Register of Contracts or Arrangements in which Directors are interested as maintained in terms of Section 189 of the Companies Act, 2013 and relevant Rules made thereunder will be available for online inspection in the Website of the Company, one day before the date of Annual General Meeting till the conclusion of the Annual General Meeting. For online inspection, go to / click on the following Website Link www.kcpsugar.com.
17. Separate Audited Accounts of Subsidiaries of the Company will be available in the Website of the Company not less than 21 days before the date of Annual General Meeting. For online inspection, go to / click on the following Website Link www.kcpsugar.com.
18. Annual Report will be available in the Website of the Company not less than 21 days before the date of Annual General Meeting. To view / download the Annual Report, go to / click on the following Website Link www.kcpsugar.com.
19. Register of Members / Register of Beneficial Owners and Share Transfer Books of the Company will remain closed from 21/09/2021 to 27/09/2021, both days inclusive for the purpose of Annual General Meeting and payment of dividend for the financial year ended 31/03/2021.
20. Dividend on Equity Shares of the Company, as recommended by the Board, if approved by the Shareholders at the Annual General Meeting will be paid within 30 days from the date of declaration of dividend to those Members whose names appear in the Register of Members / Register of Beneficial Owners, as the case may be, on 20/09/2021, the Cut-off Date.
21. Dividend will be paid by issuance of Demand Drafts (or ECS, if opted by the Member) to the Members holding shares in physical form. Members may opt for ECS (direct credit to the Bank Account of the Member) for receipt of dividend by sending the duly filled ECS Mandate Form attached to this Annual Report.
22. Dividend will be paid to those Members who hold shares in demat form through National Electronic Clearing System (NECS), if complete core banking details are available with the Company. If not, Demand Drafts will be issued to those Members.