



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

CIN: L15421TN1995PLC033198

**Twenty Seventh Annual Report
2021 – 2022**

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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

SIDCO Industrial Estate, Thuvakudi, Trichy, Tamil Nadu

Manufacture, Machining and Assembly of Fabricated
Products in Ferrous and Non - Ferrous materials

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 (till 12/08/2021) Mr.K.Panneer Selvan (from 10/02/2022)
Company Secretary and Compliance Officer	Ms.S.Jeba Elavarasi (till 11/03/2022) Mr.Aravindkumar.V (from 14/03/2022)
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	M/s.G.Natesan & Co. (FRN : 002424S) Chartered Accountants, No. 7/1, Champak Mahal, 4 th Street, Abiramapuram, Chennai - 600 018.
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						Amount in Lakhs (except Ratios)			
	31.03.2022	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
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	25596.67	25902.58	24054.55	25290.02	24372.21	24769.55	20818.26	20283.62	22427.96	20789.08
Net Worth	26730.52	27036.43	25188.40	26423.87	25506.06	25903.40	21952.11	21417.47	23561.81	21922.93
Fixed Assets (Net)	8632.92	8723.69	8598.51	9171.14	9384.20	10135.12	9879.55	10713.37	11318.80	11713.94
Gross Income	28264.48	34415.40	36577.37	33060.10	38771.27	46290.34	39917.43	41645.59	35716.56	43460.93
Gross Profit / (Loss)	2131.49	4132.21	1159.50	5247.23	1600.03	9035.27	2587.97	(1301.80)	4892.66	7215.30
Depreciation	475.78	588.50	739.49	827.38	894.06	918.32	1025.50	1031.07	1109.40	1087.40
Finance Cost	1915.63	2387.32	2148.91	1863.78	1440.73	1128.40	684.45	421.38	455.47	567.58
Profit / (Loss) before Tax	(259.92)	1156.39	(1728.90)	2556.07	(734.76)	6988.55	878.02	(2754.25)	3327.79	5560.32
Profit / (Loss) after Tax	(174.09)	1916.36	(1115.07)	1019.94	836.53	5488.75	875.81	(1617.00)	2766.45	3876.13
Other Comprehensive Income	(18.43)	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	(192.52)	1961.41	(1098.78)	1054.51	830.87	5487.03				
Earnings per Share (Rs.)	(0.17)	1.73	(0.97)	0.90	0.73	4.84	0.77	(1.43)	2.44	3.42
Cash Earnings per Share (Rs.)	0.25	2.25	(0.32)	1.63	1.52	5.65	1.68	(0.52)	3.42	4.38
Book Value per Share (Rs.)	23.57	23.84	22.21	23.30	22.50	21.08	19.36	19.01	20.78	19.33
Dividend on Equity %	10.00	10.00	10.00	10.00	10.00	90.00	25.00	10.00	85.00	100.00
Debt Equity Ratio	0.27	0.34	0.31	0.18	0.16	0.19	0.21	0.26	0.21	0.09

SEASON WISE CANE CRUSHED, SUGAR BAGGED AND RECOVERY

SEASON	2021 - 22	2020 - 21	2019 - 20	2018 - 19	2017 - 18	2016 - 17	2015 - 16	2014 - 15	2013 - 14	2012 - 13
Aggregate Cane Crushed (in MTS)	421199	411324	705446	1182414	891450	647190	1183340	1103513	1088782	996740
Aggregate Sugar Bagged (in QTLS)	387796	380990	641239	1126728	844273	587981	1107133	1024720	1095938	984988
Average Recovery (%)	9.22	9.27	9.09	9.53	9.47	9.09	9.36	9.29	10.07	9.88

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.

May 27, 2022

Dear Member,

We trust that you are keeping safe and healthy. The world economies across the globe are in the midst of overcoming the aftermath of COVID-19 pandemic and the recent geo-political unrest. We will hope for better in the near future.

Owing to the threat of Covid Pandemic the physical meetings not being advisable and enabling notifications of Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI), the 27th 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 27th Annual General Meeting of the Company to be held on Wednesday, the 28th Day of September, 2022 at 10 AM through Video Conferencing.

Annual Report for the Financial Year 2021 - 2022, inter-alia, containing Notice of Annual General Meeting and Audited Financial Statements, Directors' Report and Auditor's Report, is attached hereto.

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 SEVENTH ANNUAL GENERAL MEETING** of K.C.P.Sugar and Industries Corporation Limited will be held through Video Conferencing / Other Audio Visual Means ("OAVM ") on Wednesday, the 28th Day of September, 2022 at 10 A.M (IST) to transact the following businesses:

ORDINARY BUSINESS:

1. **To Receive, Consider and Adopt the Audited Standalone Financial Statements along with Audited Consolidated Financial Statements of the Company and its Subsidiaries for the Financial Year ended 31/03/2022 together with the Reports of Auditor and Board of Directors thereon:**

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

"RESOLVED THAT the Audited Standalone Financial Statements and Audited Consolidated Financial Statements of the Company and its Subsidiaries for the Financial Year Ended 31/03/2022 and the reports of the Auditor and Board of Directors thereon laid before this meeting, be and are hereby approved and adopted".

2. **To Declare Dividend at the rate of 10% on the face value of the Equity Shares of the Company:**

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

"RESOLVED THAT pursuant to the recommendation made by the Board of Directors of the Company and subject to provisions of Section 123 of the Companies Act, 2013, a dividend of Rs. 0.10 per share be and is hereby declared for the Financial Year ended 31/03/2022 and be paid to the Equity Shareholders of the Company whose name appear in the Register of Members / Register of Beneficial Owners, as the case may be, for this purpose, as on 21/09/2022".

"RESOLVED FURTHER THAT dividend shall be paid within 30 days from the date of declaration hereof to all the Shareholders who are entitled to receive the dividend".

3. **To Appoint a Director, in the place of Ms.Irmgard Velagapudi (DIN: 00091370) who retires by rotation and being eligible, offers herself for reappointment:**

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

"RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Ms.Irmgard Velagapudi (DIN: 00091370), who retires by rotation at this meeting and being eligible has offered herself for re-appointment, be and is hereby appointed as a Director of the Company, liable to retire by rotation".

4. **To Appoint M/s. B.Purushottam & Co, Chartered Accountants (FRN : 002808S) as Statutory Auditor of the Company and to fix their remuneration:**

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

“RESOLVED THAT pursuant to Section 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof) and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/s. B.Purushottam & Co, Chartered Accountants, Chennai (FRN: 002808S) be and are hereby appointed as the Statutory Auditor of the Company for a term of five consecutive years, who shall hold office from the conclusion of this 27th Annual General Meeting till the conclusion of the 32nd Annual General Meeting to be held in the year 2027 at a remuneration of ₹ 5,00,000/- (Rupees Five Lakhs Only) for the Financial Year 2022 - 2023 and the Board of Directors of the Company be and are hereby authorized to increase and pay such statutory audit fees as recommended by the Audit Committee and as they may deem fit for the remaining tenure of their appointment”.

SPECIAL BUSINESS:

5. Minimum Remuneration paid to Managerial Personnel:

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

“RESOLVED THAT in terms of Section 197 (10) of the Companies Act, 2013, the Minimum Remuneration of a sum of Rs.41,34,777/- (Rupees Forty One Lakhs Thirty Four Thousand Seven Hundred and Seventy Seven Only) paid to Ms.Kiran Velagapudi, Executive Director of the Company during the financial year 2021 - 2022, the fifth year of inadequate profits, during her tenure covering 29/07/2017 to 28/07/2022, be and is hereby ratified”.

6. Re-appointment of Mr. K.R. Adivarahan, (DIN : 00019844) as an Independent Director of the Company:

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

“RESOLVED THAT, pursuant to the provisions of sections 149, 152, and other applicable provisions of the Companies Act, 2013 (“the Act”) and the rules made thereunder (including any statutory modifications or re-enactment(s) thereof, for the time being in force), read with Schedule IV of the Act and based on the recommendation of Nomination and Remuneration Committee and the Board of Directors, the consent of the members of the Company be and is hereby accorded to re-appoint Mr. K.R. Adivarahan, (DIN : 00019844) as an Independent Director of the Company for second and final term of five years commencing from the date of members' approval at this 27th Annual General Meeting till the conclusion of 32nd Annual General Meeting proposed to be held in the year 2027”.

“RESOLVED FURTHER THAT any Director or Key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things which may be necessary for re-appointment of Mr. K.R. Adivarahan, (DIN : 00019844) as an Independent Director of the Company”.

7. Re-appointment of Ms. Kiran Velagapudi, (DIN : 00091466) as an Executive Director of the Company:

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof, the reappointment of Ms.Kiran Velagapudi be and is hereby reappointed as Executive Director of the Company in the rank of Whole time Director of the Company, for a period of five years i.e. from 29/07/2022 to 28/07/2027, liable to retire by rotation and on the terms and conditions as to remuneration, recommended by the Board, as hereunder:

- i. Salary : Rs.3,00,000/- (Rupees Three Lakhs Only) per month, within the ceiling prescribed under section 196, 197 and 198, read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013.
- ii. Perquisites : Provision of car with driver for use on Company's business and telephone at the residence and cell phone (including payment for local calls and long distance official calls). Personal long distance calls on telephone and use of car for private purposes shall be charged to the Executive Director; Rent free furnished residential accommodation; Personal accident insurance; Contribution to provident fund and gratuity as per the Company Policies; Electricity to be valued as per Income Tax Rules. These perquisites shall be in accordance with the Company's practice, rules and regulations in force, from time to time as may be applicable to her.
- iii. Commission : Remuneration by way of commission on net profits in addition to salary such that the amount of salary and commission in aggregate is subject to an overall ceiling of 3 % of the net profits of the Company in a particular financial year as laid down in Section 196 , 197 and 198 read with Schedule V of the Companies Act, 2013.
- iv. Minimum Remuneration: Notwithstanding anything to the contrary herein contained, where in any financial year during her said tenure, the Company has no profits or its profits are inadequate, the Company will pay to her as minimum monthly remuneration the salary mentioned in (i) and the perquisites mentioned in (ii) above, however not exceeding the limits specified under Section II of Part II of Schedule V of the Act and she shall not be entitled to any commission”.

“RESOLVED FURTHER THAT in the event of any statutory amendment or modification or relaxation in the provisions relating to the payment of remuneration to the managerial persons or to Schedule V of the Act, the Board of Directors be and are hereby authorized to vary or increase the remuneration within the prescribed limits”.

“RESOLVED FURTHER THAT Ms.Kiran Velagapudi be and is hereby authorized to exercise such powers of management, as may be delegated to her by the Board of the Company, from time to time, subject however to the overall superintendence, control and direction of the Board”.

8. Acceptance of Deposits:

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

“RESOLVED THAT in supersession of earlier Resolution and pursuant to the provisions of Section 73 and Section 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 and other applicable provisions, if any, and subject to such conditions, approvals, permissions as may be necessary, consent of members of the Company be and is hereby accorded to invite / accept / renew from time to time Unsecured Deposits from public and / or members of the Company in accordance with the limits, terms and conditions of Acceptance of Deposits by Companies, as prescribed under Rule 3 of the Companies (Acceptance of Deposits) Rules, 2014”.

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors and / or any Committee thereof is hereby authorized to do such acts, deeds, things and matters as the Board of Directors may in its absolute discretion consider necessary or appropriate for such invitation / acceptance / renewal of deposits by the Company”.

9. 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.2,00,000/- (Rupees Two Lakhs 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 31/03/2023, 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 : 27/05/2022

VINOD R.SETHI
EXECUTIVE CHAIRMAN
DIN: 00106598