

# K.C.P. SUGAR AND INDUSTRIES CORPORATION LTD.

Regd. Office : "Ramakrishna Buildings", Post Box No. 727, No.239, (Old No.183), Anna Salai, Chennai - 600 006.  
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CIN - L15421TN1995PLC033198

Ref:KSICL/STK.EX/ 2016-17

06.07.2016

**THE VICE PRESIDENT  
CAPITALMARKET( OPERATIONS )  
THE NATIONAL STOCK EXCHANGE OF  
INDIA LIMITED**  
Exchange Plaza, 5<sup>th</sup> Floor  
Plot No.C/1, G Block  
Bandra-Kurla Complex, Bandra (E)  
**Mumbai 400 051.**

**MANAGER  
CORPORATE RELATIONSHIP  
DEPT OF CORP SERVICES  
BOMBAY STOCK EXCHANGE LTD**  
Floor 25, PJ Towers  
Dalal Street  
**Mumbai 400 001**

**COURIER**

**KCPSUGIND -EQ**

**Scrip ID: KCPSUGIND  
Scrip Code: 533192**

Dear Sir,

**Sub:** Disclosure of revision / reaffirmation of credit rating in pursuance of Regulation 30 of SEBI (LODR) Regulations, 2015

In compliance with Regulation 30 of SEBI (LODR) Regulations, 2015 read with para A of part A of schedule III to the said Regulations, we wish to inform you that Credit Analysis & Research Ltd have revised / reaffirmed the rating in respect of bank facilities and fixed deposits vide their letters dt.30.06.2016 & 04.07.2016 as detailed below:

Sl. No	Category	Amount - Rs./Cr.	Rating	Remarks
1	Long term bank facilities	124.57	CARE A (Single A)	Revised from CARE A-Single A Minus
2	Short term Bank facilities	5.00	CARE A1 (A one)	Reaffirmed
3	Fixed Deposit Programme	76.00	CARD (FD) Single A (Fixed Deposit)	Revised from CARE A- (FD) (Single A Minus (Fixed Deposit)

We request you to kindly take this on your records

Thanking you,

Yours faithfully,

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

*P. Chidambaram*

**S CHIDAMBARAM  
GM (FINANCE) AND COMPANY SECRETARY**

◇ Leading Manufacturers of Premium Grade Sugars, Rectified Spirit, Anhydrous Alcohol, Extraneutral Alcohol, Co2, Calcium Lactate, Bio-Fertilizers, Bio-Compost and Mycorrhiza Inoculum.

Factories at - Vuyyuru, Krishna Dist., A.P. - 521 165. Tel : 08676 232001 Fax : 08676 232640  
- Lakshmiipuram, Krishna Dist., A.P. - 521 131. Tel : 08671 222046 Fax : 08671 222640

CARE/CRO/RR/2016-17/1082

Mr R Ganesan,  
CFO,  
K.C.P Sugar and Industries Corporation Limited  
'Ramakrishna Buildings',  
239, Anna Salai,  
Chennai- 600 006

July 04, 2016

Dear Sir,

**Credit rating for bank facilities**

Please refer to our letters dated June 30, 2016 and on the above subject.

2. The rationale for the rating(s) is attached as an **Annexure - I**. Kindly note that the rationale would be published in the forthcoming issue of our monthly journal, 'CAREVIEW'.
3. A write-up (brief rationale) on the above rating(s) is proposed to be issued to the press shortly. A draft of this is enclosed for your perusal as **Annexure - II**.
4. We request you to peruse the annexed documents and offer your comments, if any. We are doing this as a matter of courtesy to our clients and with a view to ensure that no factual inaccuracies have inadvertently crept in. Kindly revert as early as possible. In any case, if we do not hear from you by July 05, 2016, we will proceed on the basis that you have no comments to offer.

If you have any further clarifications, you are welcome to approach us.

Thanking you,

Yours faithfully,

  
**Vidhyashankar C**  
Manager

Encl: As above

**CREDIT ANALYSIS & RESEARCH LTD.**

CARE/CRO/RL/2016-17/1110

Mr R Ganesan,  
CFO,  
K.C.P Sugar and Industries Corporation Limited  
'Ramakrishna Buildings',  
239, Anna Salai,  
Chennai- 600 006

June 30, 2016

**Confidential**

Dear Sir,

**Credit rating for bank facilities**

On the basis of recent developments including operational and financial performance of your company for FY16, our Rating Committee has reviewed the following ratings:

Facilities	Amount (Rs. crore)	Rating <sup>1</sup>	Remarks
Long term Bank Facilities	124.57 (enhanced from Rs.115.68 crore)	<b>CARE A (Single A)</b>	Revised from <b>CARE A- (Single A Minus)</b>
Short term Bank Facilities	5.00 (reduced from 5.50)	<b>CARE A1 (A One)</b>	Reaffirmed
<b>Total</b>	<b>129.57 (Rs. One Hundred and Twenty Nine crore Fifty Seven Lakhs only)</b>		

2. Refer **Annexure 1** for details of rated facilities.
3. The rationale for this rating will be communicated to you separately.
4. CARE reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.


<sup>1</sup>Complete definitions of the ratings assigned are available at [www.careratings.com](http://www.careratings.com) and in other CARE publications.

5. CARE reserves the right to suspend/withdraw/revise the rating assigned on the basis of new information or in the event of failure on the part of the company to furnish such information, material or clarifications as may be required by CARE. CARE shall also be entitled to publicize/disseminate such suspension / withdrawal / revision in the assigned rating in any manner considered appropriate by it, without reference to you.
6. CARE ratings do not take into account the sovereign risk, if any, attached to the foreign currency loans, and the ratings are applicable only to the rupee equivalent of these loans.
7. Users of this rating may kindly refer our website [www.careratings.com](http://www.careratings.com) for latest update on the outstanding rating.
8. CARE ratings are **not** recommendations to sanction, renew, disburse or recall the concerned bank facilities.

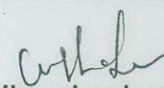
If you need any clarification, you are welcome to approach us in this regard.

Thanking you,

Yours faithfully,

  
Vijay Sajnani  
Deputy Manager

[vijay.sajnani@careratings.com](mailto:vijay.sajnani@careratings.com)

  
Vidhyashankar C  
Manager

[Vidhyashankar.c@careratings.com](mailto:Vidhyashankar.c@careratings.com)

Encl.: As above

**Disclaimer**

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

In case of partnership/proprietary concerns, the rating assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.

**Annexure 1  
Details of Rated Facilities**

**1. Long-term facilities**

**1.A Term loans**

(Rs. crore)

S.No	Name of the Bank	Type of facility	Amount	Repayment terms
1.	Axis Bank Ltd	Term loan	26.07	Monthly repayment starting from March 2016. 1x1.03 cr, 35x0.79 cr.
	<b>Total</b>		<b>26.07</b>	

**1. B. Fund Based limits**

(Rs. crore)

S.No	Name of the Bank	Facility	Rated amount
1.	Axis Bank Ltd	Cash Credit	15.00
2.	ICICI Bank Ltd	Cash Credit	65.00
3.	State Bank of India	Cash Credit	13.50*
4.	Proposed	Cash Credit	5.00
	<b>Total</b>		<b>98.50</b>

\*Includes Non-Fund Based limit of Rs.1.50 cr as sublimit.

**Total long-term facilities (1.A+1.B) = Rs.124.57 crore**

**2. Short-term facilities**

**2. A. Non Fund Based limits**

(Rs. crore)

S.No	Name of the Bank	Facility	Rated amount
1.	Axis Bank	Bank Guarantee	4.00
2.	Proposed	Bank Guarantee	1.00
	<b>Total</b>		<b>5.00</b>

**Total short-term facilities (2.A) = Rs.5.00 crore**

CARE/CRO/RL/2016-17/1111

Mr R Ganesan,  
CFO,  
K.C.P Sugar and Industries Corporation Limited  
'Ramakrishna Buildings',  
239, Anna Salai,  
Chennai- 600 006

June 30, 2016

**Confidential**

Dear Sir,

**Credit rating for Fixed Deposit (FD) programme**

On a review of recent developments including operational and financial performance of your company for FY16, our Rating Committee has reviewed the following rating:

Instrument	Amount (Rs. crore)	Rating <sup>1</sup>	Remarks
Fixed Deposit programme	76* (Rs. Seventy Six crore only)	CARE A (FD) [Single A (Fixed Deposit)]	Revised from CARE A- (FD) [Single A Minus (Fixed Deposit)]

\*out of which Rs.42.60 crore was outstanding as on May 31, 2016

2. The FD programme is for a tenure of 2 years/3 years with redemption on maturity.
3. The rationale for the rating will be communicated to you separately.
4. Please arrange to get the rating revalidated, in case the entire rated amount is not placed within **six months** from the date of this letter.
5. In case there is any change in the size or terms of the proposed FD programme, please get the rating revalidated.
6. Kindly arrange to submit us a copy of each of the documents pertaining to the FD programme.
7. To enable CARE to monitor the rating with reference to the amount of FD mobilised, you may please inform CARE when the level of deposit reaches the amount specified.

<sup>1</sup>Complete definitions of the ratings assigned are available at [www.careratings.com](http://www.careratings.com) and in other CARE publications.

8. CARE reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.
9. CARE reserves the right to suspend / withdraw / revise the rating assigned on the basis of new information or in the event of failure on the part of the company to furnish such information, material and clarifications as may be required by CARE. CARE shall also be entitled to publicize / disseminate such suspension / withdrawal / revision in the assigned rating in any manner considered appropriate by it, without any reference to you.
10. Users of this rating may kindly refer our website [www.careratings.com](http://www.careratings.com) for latest update on the outstanding rating.
11. CARE ratings are **not** recommendations to buy, sell, or hold any securities.

If you need any clarification, you are welcome to approach us in this regard.

Thanking you,

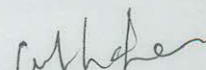
Yours faithfully,



**Vijay Sajnani**

Deputy Manager

[vijay.sajnani@careratings.com](mailto:vijay.sajnani@careratings.com)



**Vidhyashankar C**

Manager

[Vidhyashankar.c@careratings.com](mailto:Vidhyashankar.c@careratings.com)

**Disclaimer**

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