

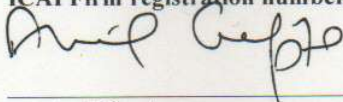
Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**Review Report to
The Board of Directors
KDDL Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of KDDL Limited (the "Company") for the quarter ended September 30, 2020 and year to date from April 01, 2020 to September 30, 2020 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. **Emphasis of Matter**
We draw attention to Note 3 to the accompanying standalone financial results, which describes the uncertainties and impact of COVID-19 pandemic on the Company's operations and results as assessed by the management. Our conclusion is not modified in respect of this matter.

For S.R. BATLIBOI & Co. LLP

Chartered Accountants

ICAI Firm registration number: 301003E/E300005



per Anil Gupta

Partner

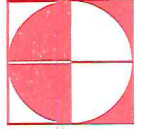
Membership No.: 87921

UDIN: 20087921AAAAEB3609

Place: New Delhi

Date: November 11, 2020

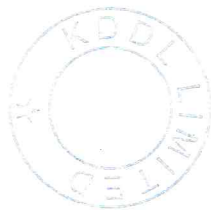


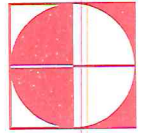


KDDL Limited
Statement of Standalone Unaudited Financial Results for the Quarter and Half year ended 30 September 2020

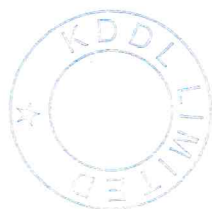
(₹ in Lakhs)

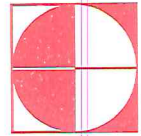
S. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30 September	30 June	30 September	30 September	30 September	31 March
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	2020	2020	2019	2020	2019	2020	
1	Revenue from operations	3457	2099	4935	5556	9758	18059
2	Other income	87	78	211	165	301	527
3	Total Income (1+2)	3544	2177	5146	5721	10059	18586
4	Expenses						
	Cost of raw materials consumed	828	384	1075	1212	2367	4522
	Changes in inventories of finished goods, work-in-progress and scrap	104	198	172	302	129	(13)
	Employee benefits expenses	1128	1075	1424	2203	2835	5531
	Finance costs	238	241	235	479	431	885
	Depreciation and amortisation expense	307	295	290	602	586	1193
	Other expenses	870	574	1345	1444	2691	5080
	Total Expenses	3475	2767	4541	6242	9039	17198
5	Profit/(loss) before income tax (3-4)	69	(590)	605	(521)	1020	1388
6	Income tax expense						
	- Current tax	-	-	174	-	279	384
	- Tax for earlier years	-	-	-	-	-	(19)
	- Deferred tax charge/ (credit)	12	(108)	13	(96)	35	91
	- Deferred tax for earlier years	-	-	-	-	-	19
	- Deferred tax for earlier years	57	(482)	418	(425)	706	913
7	Profit/(loss) for the period/year (5-6)	57	(482)	418	(425)	706	913
8	Other comprehensive income / (expense)						
	Items that will not be reclassified to profit or loss						
	Remeasurement of defined benefit liability / (asset)	29	(5)	(22)	24	(37)	(70)
	Income tax on remeasurement of defined benefit liability / (asset)	(8)	1	7	(7)	11	20
9	Total Comprehensive Income/(loss) for the period/year (7+8)	78	(486)	403	(408)	680	863
10	Earnings per share of ₹ 10 each (not annualized)						
	Basic (₹)	0.48	(4.13)	3.59	(3.66)	6.07	7.84
	Diluted (₹)	0.48	(4.13)	3.59	(3.66)	6.06	7.84
11	Paid-up equity share capital (Face value per share ₹ 10)	1165	1165	1163	1165	1163	1165
12	Reserve (excluding revaluation reserves)						15775
	See accompanying notes to the Standalone Unaudited Financial Results						





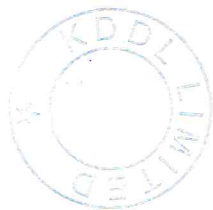
KDDL Limited Statement of Standalone Unaudited Assets and Liabilities			(₹ in Lakhs)	
S. No.	Particulars	As at		
		30 September (Unaudited) 2020	31 March (Audited) 2020	
A.	ASSETS			
1	Non-current assets	9088	9379	
	(a) Property, plant and equipment	314	220	
	(b) Capital work-in-progress	1187	1265	
	(c) Right-of-use assets	36	45	
	(d) Investment property	26	40	
	(e) Intangible assets			
	(f) Financial assets	10766	10072	
	(i) Investments	210	221	
	(ii) Loans	227	226	
	(g) Income tax assets (net)	27	130	
	(h) Other non-current assets	21881	21598	
	Total Non-current assets			
2	Current assets	2923	3209	
	(a) Inventories			
	(b) Financial assets	2280	2464	
	(i) Trade receivables	530	954	
	(ii) Cash and cash equivalents	547	543	
	(iii) Other bank balances	183	186	
	(iv) Loans	321	209	
	(v) Other financial assets	830	844	
	(c) Other current assets	7614	8409	
	Total Current assets	29495	30007	
	Total Assets			
B.	EQUITY AND LIABILITIES			
1	Equity	1174	1174	
	(a) Equity share capital	15367	15775	
	(b) Other equity	16541	16949	
	Total Equity			
2	Liabilities			
	Non-current liabilities			
	(a) Financial liabilities	4117	4520	
	(i) Borrowings	529	594	
	(ii) Lease liabilities	104	122	
	(iii) Other financial liabilities	33	106	
	(b) Provisions	417	506	
	(c) Deferred tax liabilities (net)	5200	5848	
	Total Non-current liabilities			
	Current liabilities			
	(a) Financial liabilities	1514	1925	
	(i) Borrowings	237	200	
	(ii) Lease liabilities			
	(iii) Trade payables	77	75	
	- total outstanding dues of micro enterprises and small enterprises	1263	1278	
	- total outstanding dues of creditors other than micro enterprises and small enterprises	3640	3107	
	(iv) Other financial liabilities	651	319	
	(b) Other current liabilities	342	274	
	(c) Provisions	30	32	
	(d) Current tax liabilities (net)	7754	7210	
	Total Current liabilities	12954	13058	
	Total Liabilities	29495	30007	
	Total Equity and liabilities			

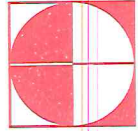




Note:
 As per Ind-AS 108, Operating Segments have been defined and presented based on the regular review by the Chief Operating Decision Maker to assess the performance of each segment and to make decision about allocation of resources. The accounting principles used in the preparation of the standalone unaudited financial results are consistently applied to record revenue and expenditure in individual segments. Accordingly, the unaudited standalone segment wise revenue, results, assets and liabilities are as follows :

S.No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30 September	30 June	30 September	30 September	30 September	31 March
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
		2020	2020	2019	2020	2019	2020
1	Segment revenue						
	a) Precision and watch components	3389	2041	4718	5430	9315	17201
	b) Others	68	58	217	126	443	858
	Total	3457	2099	4935	5556	9758	18059
	Less: Inter segment revenue	-	-	-	-	-	-
	Total revenue from operations	3457	2099	4935	5556	9758	18059
2	Segment results (profit/(loss) before tax and finance costs from each segment)						
	a) Precision and watch components	411	(200)	910	211	1755	3140
	b) Others	(8)	(20)	15	(28)	42	70
	Total	403	(220)	925	183	1797	3210
	Less: i. Finance costs	238	241	235	479	431	885
	ii. Other un-allocable expenditure (net of un-allocable income)	96	129	85	225	346	937
	Profit/(loss) before tax	69	(590)	605	(521)	1020	1388
3	Segment assets						
	a) Precision and watch components	16395	16642	16791	16395	16791	17035
	b) Others	261	328	398	261	398	306
	c) Unallocated	12839	12157	12283	12839	12283	12666
	Total segment assets	29495	29127	29472	29495	29472	30007
4	Segment liabilities						
	a) Precision and watch components	3108	3304	3236	3108	3236	2784
	b) Others	65	77	89	65	89	84
	c) Unallocated	9781	9282	9099	9781	9099	10190
	Total segment liabilities	12954	12663	12424	12954	12424	13058

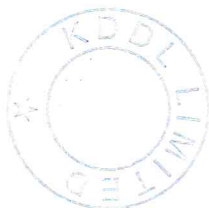


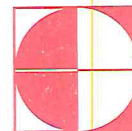


Standalone Cash Flow Statement for the half year ended 30 September 2020

Particulars	(₹ in Lakhs)	(₹ in Lakhs)
	Half year ended 30 September 2020	Half year ended 30 September 2019
Cash flow from operating activities		
Profit/(loss) before income tax	(521)	1,020
Adjustments for :		
Depreciation and amortisation expense	602	586
Liabilities/ provision no longer required written back	-	(2)
Net gain on sale of property, plant and equipment	(1)	(2)
Interest income	(35)	(163)
Dividend income**	-	-
Interest expense	469	427
Unrealised foreign exchange loss/ (gain)	93	6
Property, plant and equipment written off	1	1
Advances/deposits written off	3	(2)
Change in fair value of derivative contracts	(81)	19
Operating cash flow before working capital changes	530	1,888
Changes in working capital:		
Decrease/ (Increase) in loans	13	(31)
(Increase)/ Decrease in other current financial assets	(105)	246
Decrease in other non-current assets	4	11
Decrease in inventories	286	70
Decrease/ (Increase) in trade receivables	86	(586)
Decrease/ (Increase) in other current assets	11	(189)
Increase in provisions	19	60
(Decrease)/ Increase in trade payables	(8)	162
Increase in other financial liabilities	254	276
Increase/ (Decrease) in other current liabilities	333	(52)
Cash generated by operating activities	1,423	1,856
Income tax (paid), net	(3)	110
Net cash generated from operating activities (A)	1,419	1,966
Cash flow from investing activities		
Acquisition of property, plant and equipment (including capital advances)	(542)	(522)
Proceeds from sale of property, plant and equipment	4	10
Payment for purchase of investments in subsidiary	(346)	(2,100)
Movement in other bank balances	(7)	27
Interest received	43	122
Dividend received**	-	-
Net cash (used) in investing activities (B)	(848)	(2,463)
Cash flow from financing activities		
Proceeds from issue of share capital (including premium)	-	6
Proceeds from non-current borrowings	457	954
Repayment of non-current borrowings	(562)	(740)
Proceeds from current borrowings having maturity period more than 3 months	24	162
Repayment of current borrowings having maturity period more than 3 months	(115)	(6)
Repayments of/proceeds from current borrowings (net)	(320)	977
Principal portion of lease payments	(68)	(100)
Interest portion of lease payments	(47)	(55)
Interest expense paid	(364)	(360)
Dividends paid	-	(291)
Tax on dividend	-	(60)
Net cash flow (used) in/ provided by financing activities (C)	(995)	488
Net (decrease) in cash and cash equivalents (A+B+C)	(424)	(8)
Cash and cash equivalents at the beginning of the period	954	250
Cash and cash equivalents at the end of the period*	530	242
*Comprises:		
Balances with banks in current accounts	525	212
Deposits with original maturity of less than three months	-	25
Cash on hand	5	5
	530	242

**Represents dividend income of ₹ 0.26 lakh and ₹ 0.31 lakh





KDDL Limited

Notes to Standalone Unaudited Financial Results:

1. The above standalone unaudited financial results have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder.

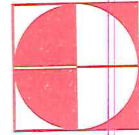
2. The above standalone unaudited financial results have been reviewed and recommended by the Audit Committee and approved by the Board of Directors in their meetings held on 11 November 2020 and have been reviewed by the Statutory Auditors of the Company.

3. World Health Organisation (WHO) declared outbreak of Coronavirus Disease (COVID-19) a global pandemic on 11 March 2020. Consequent to this, Government of India declared lockdown on 23 March 2020 and the Company had temporarily suspended the operations in all the units of the Company in compliance with the lockdown instructions issued by the Central and State Governments. COVID-19 has impacted the normal business operations of the Company by way of interruption in production, supply chain disruption, unavailability of personnel, closure/lock down of production facilities etc. during the lock-down period and to an extent even subsequent to lifting/ easing of lockdown restrictions. However, production and supply of goods had commenced during the month of April 2020 on one of the manufacturing unit of the Company and during the month of May 2020 on all the other manufacturing units of the Company.

As a result of lock down, the volumes for the month of April 2020 and May 2020 were impacted and accordingly results of current quarter and half year of 2020-21 are not comparable with previous quarter and corresponding half year of 2019-20 respectively. Further, revenue from operations for half year ended 30 September 2020 decreased by 43% to INR 5556 lakhs (30 September 2019: INR 9758 lakhs) and the Company's half year ended operations resulted into loss after tax of INR 426 lakhs (Previous year corresponding half year ended profit after tax i.e. 30 September 2019: INR 706 lakhs). The decrease in revenue from operations is primarily due to COVID-19 related market volatility during the current period. The Company has made detailed assessment of its liquidity position for the balance period of the current year and the recoverability and carrying value of its assets comprising property, plant and equipment, intangible assets, right-of-use assets, investments, inventory and trade receivables. Based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The impact of the pandemic in the subsequent period is highly dependent on the situations as they evolve and hence may be different from that estimated at the date of approval of these standalone financial results. The Company will continue to closely monitor any material changes arising of future economic conditions and impact on its business.

4. On 20 September 2019, vide the Taxation Laws (Amendment) Ordinance, 2019, the Government of India inserted Section 115BAA in the Income Tax Act, 1961 which provides domestic companies with an option to opt to lower rates effected 01 April 2019 subject to certain conditions. The Company is currently in the process of evaluating this option and has considered the rate existing prior to the Ordinance for the purpose of these results.





5. During the half year ended 30 September 2020, the Company has recognized INR 96 lakhs as deferred tax assets which includes deferred tax assets on carried forward business losses and unabsorbed depreciation based on the future probability projections considering expected future market, economic conditions, tax laws and the Company is confident that there would be sufficient taxable profits in future which will enable the Company to utilize the above deferred tax assets on carry forward business losses and unabsorbed depreciation.

6. The other income for quarter ended 30 September 2019 and half year ended 30 September 2019 included interest on income tax refunds received for earlier years amounting to INR 90 lakhs.

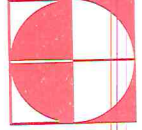
7. During the current quarter ended 30 September 2020, the Company has agreed to purchase 2,77,000 equity shares amounting to INR 693 lakhs (INR 346 lakhs paid upto 30 September 2020) in one of the subsidiary company 'Ethos Limited' a material subsidiary, pursuant to exercise of put option by existing shareholders of Ethos Limited. Post the above transaction, consolidated shareholding of KDDL Limited (directly and indirectly through its subsidiary, Mahen Distribution Limited) in Ethos Limited has increased from 73.56% to 75.08%.

Both the Company and the promoter and Chairman cum Managing Director had been party to the amended put option agreement dated 09 September 2015. As per representation received vide letter dated 12 November 2015 from the promoter and Chairman cum Managing Director by the Company, he had expressed his intention to purchase these shares in the event of exercise of put option by the shareholders. The Board of Directors in their meeting held on 25 August 2020 decided to purchase these shares considering the facts that (a) the price to be paid for acquisition of equity shares in put option is much lower at INR 250.30 per equity share as against earlier investment being made by the Company at INR 292 per share in financial years ended March 31, 2019 and March 31, 2020, hence is in the interest of the Company and (b) To avoid conflict of interest arising from Direct Investment in subsidiary company by the Promoters.

8. With respect to Amalgamation of wholly owned subsidiary company namely Satva Jewellery and Design Limited with "KDDL Limited" and pursuant to the order of Hon'ble National Company Law Tribunal (NCLT), Chandigarh Bench, dated 15 October 2019 directing both the Companies that the Scheme should be considered as per the procedure laid down in Section 232 of the Companies Act, 2013 (the Act), the Company has filed new Scheme under Section 232 of the Act on 20 August 2020 with NCLT and the same is under consideration. The proposed appointed date has been fixed as 01 April 2019 under the new Scheme and the accounting will be done after the Scheme becomes effective.

9. The Indian Parliament has approved the Code on Social Security, 2020. The effective date from which the changes are applicable is yet to be notified and the rules for quantifying the financial impact are yet to be framed. Based on an initial assessment by the Company, the impact of the said Code including the rules to be framed thereunder could be material. The Company will complete its evaluation and will give appropriate impact in the financial statements in the period in which the said Code becomes effective including the related rules framed thereunder to determine the financial impact are published.

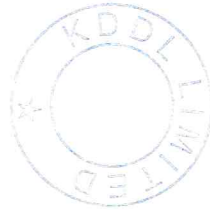




10. The Board of Directors at its meeting held on 11 November 2020, considered and approved the fund raising of an amount upto INR 3000 lakhs through issuance of equity shares of face value of INR 10 each on Rights Issue basis to the eligible equity shareholders of the Company as on the record date (to be notified subsequently), subject to receipt of regulatory/statutory approvals, in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended and the Companies Act, 2013 and rules made thereunder, for the growth and development of the Company. Further, the Board of Directors has authorised Funds Raising Committee to proceed with the Rights Issue and inter-alia, decide all other terms and conditions of the Rights Issue as may be required from time to time.

For and on behalf of Board of Directors

Place: Chandigarh
Date: 11 November 2020



Yashovardhan Saboo
(Chairman and Managing Director)
DIN-00012158

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**Review Report to
The Board of Directors
KDDL Limited**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of KDDL Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associate and joint venture for the quarter ended September 30, 2020 and year to date from April 01, 2020 to September 30, 2020 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following entities:

S. No.	Name of subsidiaries/ associate/ joint venture	Relationship
1	Ethos Limited	Subsidiary
2	Mahen Distribution Limited	Subsidiary
3	Satva Jewellery and Design Limited	Subsidiary
4	Kamla International Holdings SA	Subsidiary
5	Pylania SA	Subsidiary
6	Estima AG	Subsidiary of Kamla International Holdings SA and Pylania SA
7	Kamla Tesio and Dials Limited	Associate
8	Cognition Digital LLP	Subsidiary of Ethos Limited
9	Pasadena Retail Private Limited	Joint venture of Ethos Limited



5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 7 and 8 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. **Emphasis of Matter**

(a) We draw attention to Note 6 to the accompanying consolidated financial results, which describes that as per management's assessment the recoverable amount of net assets of Estima AG is in excess of carrying amount thereof as at September 30, 2020. The auditors of Estima AG has also included a Emphasis of Matter in their review report on the financial information of Estima AG for the quarter ended September 30, 2020.

Our conclusion is not modified in respect of this matter.

(b) We draw attention to Note 9 to the accompanying consolidated financial results, which describes the uncertainties and impact of COVID-19 pandemic on the Group's operations and results as assessed by the management.

Our conclusion is not modified in respect of this matter.

7. The accompanying Statement includes the unaudited interim financial results and other unaudited financial information of three subsidiaries included in the Group, whose results reflect Group's share of total assets of Rs. 4440 lakhs as at September 30, 2020, Group's share of total revenues of Rs. 289 lakhs and Rs. 725 lakhs and, Group's share of total net (loss) after tax of Rs. (99) lakhs and Rs. (150) lakhs, Group's share of total comprehensive (loss) of Rs. (99) lakhs and Rs. (150) lakhs, for the quarter ended September 30, 2020 and the period ended on that date respectively, and net cash inflows of Rs. 20 lakhs for the period from April 01, 2020 to September 30, 2020, as considered in the statement which have been reviewed by their respective other auditors. The accompanying Statement also includes the Group's share of net profit after tax of Rs. 1 lakh and net (loss) after tax of Rs. (15) lakhs and Group's share of total comprehensive income of Rs. 1 lakh and total comprehensive (loss) of Rs. (15) lakhs for the quarter ended September 30, 2020 and for the period from April 01, 2020 to September 30, 2020 respectively, as considered in the statement, in respect of one joint venture, whose interim financial information has been reviewed by its independent auditor. The independent auditor's report of these subsidiaries and joint venture have been furnished to us by the Management, and our conclusion on the Statement in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, is based solely on the report of such other auditors and the procedures performed by us as stated in paragraph 3 above.

One of these subsidiaries is located outside India whose financial results and other financial information have been prepared in accordance with accounting principles generally accepted in its country and which has been reviewed by its auditor under generally accepted auditing standards applicable in that country. The Holding Company's management has converted the financial results of such subsidiary located outside India from accounting principles generally accepted in that country to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Holding Company's management. Our conclusion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the report of the auditor and the conversion adjustments prepared by the management of the Holding Company and reviewed by us.



S.R. BATLIBOI & Co. LLP

Chartered Accountants

8. The accompanying Statement of unaudited consolidated financial results include unaudited interim financial results and other unaudited financial information in respect of three subsidiaries, which have not been reviewed by their auditors, whose interim financial results reflect Group's share of total assets of Rs. 3536 lakhs as at September 30, 2020, Group's share of total revenues of Rs. 258 lakhs and Rs. 442 lakhs and, Group's share of total net profit after tax of Rs. 45 lakhs and Rs. 70 lakhs, Group's share of total comprehensive income of Rs. 45 lakhs and Rs. 70 lakhs, for the quarter ended September 30, 2020 and the period ended on that date respectively, and net cash outflows of Rs. 84 lakhs for the period from April 01, 2020 to September 30, 2020. The Statement also includes the Group's share of net loss after tax and total comprehensive loss of Rs. Nil and Rs. Nil, for the quarter ended September 30, 2020 and for the period from April 01, 2020 to September 30, 2020, as considered in the statement, in respect of one associate, based on their interim financial results which have not been reviewed by any auditors.

Two of these subsidiaries are located outside India whose financial results and other financial information have been prepared in accordance with accounting principles generally accepted in its country and which has not been reviewed by its auditor under generally accepted auditing standards applicable in that country. The Holding Company's management has converted the financial results of such subsidiary located outside India from accounting principles generally accepted in that country to accounting principles generally accepted in India.

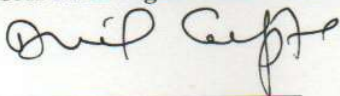
These unaudited interim financial results and other unaudited financial information have been approved and furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the affairs of these subsidiaries and associates, is based solely on such unaudited interim financial results and other unaudited financial information. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group.

Our conclusion on the Statement in respect of matters stated in para 7 and 8 above is not modified with respect to our reliance on the work done and the reports of the other auditors and the financial information certified by the Management.

For S.R. BATLIBOI & Co. LLP

Chartered Accountants

ICAI Firm registration number: 301003E/E300005



per **Anil Gupta**

Partner

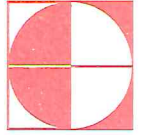
Membership No.: 87921

UDIN: 20087921AAAAEC4785

Place: New Delhi

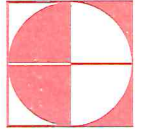
Date: November 11, 2020





KDDL LIMITED							
Statement of Unaudited Consolidated Financial Results for the Quarter and Half Year ended 30 September 2020							
S. No.	Particulars	(₹ in Lakhs)					
		Quarter Ended			Half Year ended		Year Ended
		30 September	30 June	30 September	30 September	30 September	31 March
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
		2020	2020	2019	2020	2019	2020
1	Revenue from operations	13941	5299	15841	19240	31128	65228
2	Other income	607	562	201	1169	279	667
3	Total income (1+2)	14548	5861	16042	20409	31407	65895
4	Expenses						
	Cost of materials consumed	874	506	1097	1380	2464	4722
	Purchases of stock-in-trade	5620	483	8922	6103	18391	34205
	Changes in inventories of finished goods, stock-in-trade, scrap and work-in-progress	2043	1833	(1027)	3876	(3377)	(1168)
	Employee benefits expenses	1873	1952	2608	3825	5184	10233
	Finance costs	664	717	733	1381	1366	2853
	Depreciation and amortisation expense	1189	1227	1237	2416	2323	4806
	Other expenses	1793	1155	2430	2948	4862	9699
	Total expenses	14056	7873	16000	21929	31213	65350
5	(Loss)/Profit before share of equity accounted investees and income tax (3-4)	492	(2012)	42	(1520)	194	545
6	Share of profit/(loss) of equity accounted investees (net of income tax, if any)	1	(16)	4	(15)	3	(33)
7	(Loss)/Profit before income tax (5+6)	493	(2028)	46	(1535)	197	512
8	Income tax expense						
	- Current tax	-	-	260	-	384	681
	- Current tax for earlier years	-	-	-	-	-	4
	- Deferred tax charge/(credit)	114	(469)	(85)	(355)	(63)	29
	- Deferred tax for earlier years	-	-	-	-	-	(6)
9	(Loss)/Profit for the period/year (7-8)	379	(1559)	(129)	(1180)	(123)	(195)
10	Other comprehensive income / (expense)						
	<i>(i) Items that will not be reclassified to profit or loss</i>						
	a) Remeasurement of defined benefit liability / (asset)	25	(5)	(30)	20	(52)	(72)
	b) Income tax on remeasurement of defined benefit liability / (asset)	(7)	1	7	(6)	14	21
	<i>(ii) Items that will be reclassified to profit or loss</i>						
	a) Exchange differences on translation of foreign operations	12	12	14	24	67	134
11	Total Comprehensive (expense)/income for the period/year (9+10)	409	(1551)	(138)	(1142)	(94)	(112)
	Profit/(loss) attributable to:						
	Owners of the company	286	(1276)	(67)	(990)	(41)	(58)
	Non-controlling interest	93	(283)	(62)	(190)	(82)	(137)
	Other Comprehensive Income attributable to:						
	Owners of the company	30	6	(9)	36	29	69
	Non-controlling interest	-	2	-	2	-	14
	Total Comprehensive Income/(expense) attributable to:						
	Owners of the company	316	(1270)	(76)	(954)	(12)	11
	Non-controlling interest	93	(281)	(62)	(188)	(82)	(123)
12	Earnings per share of ₹ 10 each (not annualised)						
	Basic (₹)	2.45	(10.95)	(0.57)	(8.50)	(0.35)	(0.51)
	Diluted (₹)	2.45	(10.95)	(0.57)	(8.50)	(0.35)	(0.51)
13	Paid-up equity share capital (Face value per share ₹10)	1165	1165	1163	1165	1163	1165
14	Reserves						17402
	See accompanying notes to the Consolidated Unaudited Financial Results						





Notes to Consolidated financial results:

1. The financial results of following entities have been consolidated with the financial results of KDDL Limited (the Holding Company), hereinafter referred to as "the Group" or "Holding Company":

Ethos Limited (Subsidiary)
 Pylania SA (Subsidiary)
 Satva Jewellery and Design Limited (Subsidiary)
 Mahen Distribution Limited (Subsidiary)
 Kamla International Holdings SA (Subsidiary)
 Estima AG (Subsidiary of Kamla International Holding SA and Pylania SA)
 Cognition Digital LLP (Subsidiary of Ethos Limited)
 Pasadena Retail Private Limited (Joint Venture of Ethos Limited)
 Kamla Tesio Dials Limited (Associate)

2. The above Consolidated unaudited financial results have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder.

3. The Consolidated unaudited financial results have been reviewed and recommended by the Audit Committee and approved by the Board of Directors in their respective meetings held on November 11, 2020 and have been reviewed by the Statutory Auditors of the Holding Company.

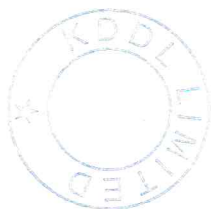
4. Some of the Indian subsidiaries have elected to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Therefore, income tax expense for the Q2 of 2019-20 is not comparable to all periods presented in the above results. The Holding Company is currently in the process of evaluating this option and has considered the rate existing prior to the Ordinance for the purpose of these results.

5. As per Ind-AS 108, Operating Segments have been defined and presented based on the regular review by the Chief Operating Decision Maker to assess the performance of each segment and to make decision about allocation of resources. The accounting principles used in the preparation of the consolidated financial results are consistently applied to record revenue and expenditure in individual segments. Accordingly, the consolidated unaudited segment wise revenue, results, assets and liabilities is as follows:

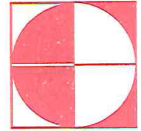
S.No.	Particulars	Quarter Ended			Half Year ended		Year Ended
		30 September	30 June	30 September	30 September	30 September	31 March
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
		2020	2020	2019	2020	2019	2020
1	Segment revenue						
	a) Precision and watch components	3648	2482	4946	6130	9805	18432
	b) Watch and accessories	10225	2759	10678	12984	20884	45943
	c) Marketing support and other services	-	-	148	-	148	803
	d) Others	68	58	217	126	443	858
	Total	13941	5299	15989	19240	31280	66036
	Less: Inter segment revenue	-	-	(148)	-	(152)	(808)
	Revenue from operations	13941	5299	15841	19240	31128	65228
2	Segment results (profit/(loss) before tax and finance cost from each segment)						
	a) Precision and watch components	400	(184)	642	216	1214	2290
	b) Watch and accessories	897	(951)	120	(54)	579	1603
	c) Marketing support and other services	(58)	(48)	105	(106)	79	297
	d) Others	(13)	(22)	17	(35)	33	44
	Total	1227	(1205)	884	22	1905	4234
	Less: (i) Finance costs	664	717	733	1381	1366	2853
	(ii) Other un-allocable expenditure (net of un-allocable income)	70	106	105	176	342	869
	Profit/(loss) before tax	493	(2028)	46	(1535)	197	512
3	Segment Assets						
	a) Precision and watch components	20056	20494	20457	20056	20457	20599
	b) Watch and accessories	35103	38013	44510	35103	44510	41166
	c) Marketing support and other services	50	44	160	50	160	44
	d) Others	369	439	538	369	538	419
	e) Unallocated	3284	3327	3067	3284	3067	3495
	Total Segment assets	58862	62317	68732	58862	68732	65723
4	Segment liabilities						
	a) Precision and watch components	3402	3732	3445	3402	3445	2954
	b) Watch and accessories	8011	9960	10768	8011	10768	9462
	c) Marketing support and other services	74	65	108	74	108	32
	d) Others	65	77	114	65	114	86
	e) Unallocated	26396	27291	31248	26396	31248	30448
	Total Segment liabilities	37948	41126	45683	37948	45683	42982

6. Considering the accumulated losses, impairment indicators were identified in relation to property, plant and equipment (PPE) in subsidiary Estima AG. Based on the impairment assessment carried out by the management, the recoverable amount of net assets of Estima AG is assessed as higher than carrying amount thereof as at September 30, 2020.

7. The Indian Parliament has approved the Code on Social Security, 2020. The effective date from which the changes are applicable is yet to be notified and the rules for quantifying the financial impact are yet to be framed. Based on an initial assessment by the Holding Company and its Indian subsidiaries, the impact of the said Code including the rules to be framed thereunder could be material. The Holding Company and its Indian subsidiaries will complete its evaluation and will give appropriate impact in the financial statements in the period in which the said Code becomes effective including the related rules framed thereunder to determine the financial impact are published.



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8. The other income for quarter ended and half year ended 30 September 2019 included interest on income tax refunds received for earlier years amounting to INR 90 lakhs.

9. World Health Organisation (WHO) declared outbreak of Coronavirus Disease (Covid-19) a global pandemic on 11 March 2020. Consequent to this, Government of India declared lockdown on 23 March 2020 and the Group temporarily suspended the operations in all the units of the Group in compliance with the lockdown instructions issued by the Central and State Governments. Covid-19 has impacted the normal business operations of the companies within group by way of interruption in production, supply chain disruption, unavailability of personnel, closure/lock down of production facilities and stores etc. during the lockdown period and to an extent even subsequent to lifting/ easing of lockdown restrictions. However, limited production and supply of goods has commenced on during the month of April 2020 on one of the manufacturing unit of the Group and during the month of May 2020 on all the other manufacturing units/stores of the Group.

As a result of lockdown the volumes for the month of April 2020 and May 2020 has been impacted and accordingly results of current quarter and half year of 2020-21 are not comparable with previous quarter and corresponding half year of 2019-20 respectively. Further, Revenue from operations for half year ended September 30, 2020 decreased by 38.19 % to Rs 19240 lakhs (September 30, 2019: Rs 31128 lakhs) and Group's current half year operations resulted into loss after tax of Rs (1180) lakhs (Previous year corresponding half year ended i.e September 30, 2019 : Rs (123) lakhs). The decrease in revenue from operations is primarily due to COVID-19 related market volatility during the current quarter. The Group has made detailed assessment of its liquidity position for the next year and the recoverability and carrying value of its assets comprising property, plant and equipment, intangible assets, right-of-use assets, investments, inventory and trade receivables. Based on current indicators of future economic conditions, the Group expects to recover the carrying amount of these assets. The situation is changing rapidly giving rise to inherent uncertainty around the extent and timing of the potential future impact of the Covid-19 which may be different from that estimated as at the date of approval of these consolidated audited financial results. The Group will continue to closely monitor any material changes arising of future economic conditions and impact on its business.

10. The Group has during the half year ended 30 September 2020, recognised Rs. 355 lakhs deferred tax assets which includes deferred tax assets on carried forward business losses and unabsorbed depreciation based on the current quarter profit and future profitability projections considering expected future market, economic conditions and tax laws and the Group is confident that there would be sufficient taxable profits in future which will enable the Group to utilize the above deferred tax assets on carry forward business losses and unabsorbed depreciation.

11. With respect to Amalgamation of wholly owned subsidiary company namely Satva Jewellery and Design Limited with "KDDL Limited" and pursuant to the order of Hon'ble National Company Law Tribunal (NCLT), Chandigarh Bench, dated 15 October 2019 directing both the Companies that the Scheme should be considered as per the procedure laid down in Section 232 of the Companies Act, 2013 (the Act), the Holding Company has filed new Scheme under Section 232 of the Act on 20 August 2020 with NCLT and the same is under consideration. The proposed appointed date has been fixed as 01 April 2019 under the new Scheme and the accounting will be done after the Scheme becomes effective.

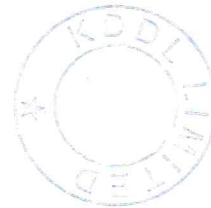
12. During the current quarter ended September 30, 2020, the Holding Company has agreed to purchase 2,77,000 equity shares amounting to Rs. 693 lakhs (Rs. 346 lakhs paid upto September 30, 2020) in one of the subsidiary company 'Ethos Limited' a material subsidiary, pursuant to exercise of put option by existing shareholders of Ethos Limited Post the above transaction, consolidated shareholding of KDDL Limited (directly and indirectly through its subsidiary, Mahen Distribution Limited) in Ethos Limited has increased from 73.56% to 75.08%.

Both the Holding Company and the promoter and Chairman cum Managing Director had been party to the amended put option agreement dated September 09, 2015. As per representation received vide letter dated November 12, 2015 from the promoter and Chairman cum Managing Director by the Holding Company, he had expressed his intention to purchase these shares in the event of exercise of put option by the shareholders. The Board of Directors in their meeting held on August 25, 2020 decided to purchase these shares considering the facts that (a) the price to be paid for acquisition of equity shares in put option is much lower at Rs. 250.30 per equity share as against earlier investment being made by the Holding Company at Rs. 292 per share in financial years ended March 31, 2019 and March 31, 2020, hence is in the interest of the Group and (b) To avoid conflict of interest arising from Direct Investment in subsidiary company by the Promoters.

The said acquisition has resulted into reduction in the amount of minority interest and other equity by Rs. 220 lakhs and Rs. 473 lakhs respectively in the consolidated financial results of the Group.

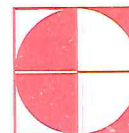
13. The Board of Directors of Holding Company at its meeting held on 11 November 2020, considered and approved the fund raising of an amount upto INR 3000 lakhs through issuance of equity shares of face value of Rs 10 each on Rights Issue basis to the eligible equity shareholders of the Holding Company as on the record date (to be notified subsequently), subject to receipt of regulatory/statutory approvals, in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended and the Companies Act, 2013 and rules made thereunder, for the growth and development of the Company. Further, the Board of Directors has authorised Funds Raising Committee to proceed with the Rights Issue and inter-alia, decide all other terms and conditions of the Rights Issue as may be required from time to time.

Place: Chandigarh
Date: November 11, 2020



For and on the behalf of Board of Directors

Yashvardhan Saboo
(Chairman and Managing Director)
DIN-00012158

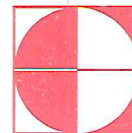


KDDL Limited Statement of Consolidated Unaudited Assets and Liabilities		(₹ in Lakhs)	
S. No.	Particulars	As at	As at
		30 September (Audited) 2020	31 March (Audited) 2020
A	ASSETS		
1	Non-current assets	15369	15860
	(a) Property, plant and equipment	495	290
	(b) Capital work-in-progress	58	81
	(c) Other intangible assets	6	6
	(d) Intangible assets under development	10006	10957
	(e) Right of use assets	81	95
	(f) Equity accounted investees		
	(g) Financial assets	48	48
	(i) Investments	986	1020
	(ii) Loans	10	129
	(iii) Other financial assets	385	372
	(h) Current tax asset	983	723
	(i) Deferred tax assets (net)	241	341
	(j) Other non current assets	28668	29922
	Total non-current assets		
2	Current assets	21392	25272
	(a) Inventories		
	(b) Financial assets	2671	2849
	(i) Trade receivables	1293	2279
	(ii) Cash and cash equivalents	778	567
	(iii) Other bank balances	788	803
	(iv) Loans	623	664
	(v) Other financial assets	2649	3367
	(c) Other current assets	30194	35801
	Total current assets	58862	65723
	Total Assets (1 + 2)		
B	EQUITY AND LIABILITIES		
1	Equity	1174	1174
	(a) Equity share capital	15983	17402
	(b) Other equity	17157	18576
	Equity attributable to the owners of the Company	3757	4165
2	Non-controlling interests	20914	22741
	Total equity		
3	Liabilities		
	Non-current liabilities		
	(a) Financial liabilities	7477	8014
	(i) Borrowings	7884	8541
	(ii) Lease liabilities	215	209
	(iii) Other financial liabilities	185	236
	(b) Provisions	417	506
	(c) Deferred tax liabilities (net)	16178	17506
	Total non-current liabilities		
	Current liabilities		
	(a) Financial liabilities	3993	7430
	(i) Borrowings	2151	2093
	(ii) Lease liabilities		
	(iii) Trade payables	77	77
	- total outstanding dues of micro enterprises and small enterprises	7262	8652
	- total outstanding dues of creditors other than micro enterprises and small enterprises	5926	5264
	(iv) Other financial liabilities	1676	1379
	(b) Other current liabilities	617	511
	(c) Provisions	68	70
	(d) Current tax liabilities(net)	21770	25476
	Total Current liabilities	37948	42982
	Total liabilities	58862	65723
	Total Equity And Liabilities (1 + 2 + 3)		



KDDL Limited

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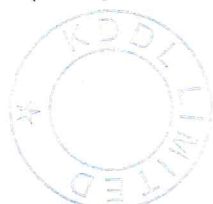
KDDL Limited

Consolidated cash flow statement for the half year ended 30 September 2020

(All amount are in Indian Rupees Lakhs, except for share data)

	Half year ended 30 September 2020	Half year ended 30 September 2019
Cash flow from operating activities	(1,535)	197
(Loss)/Profit before income tax		
Adjustments for :	2,416	2,323
Depreciation and amortisation expenses	(1)	14
Net (gain)/loss on sale of property, plant and equipment	8	19
Property, plant and equipment written off	6	-
Advances written off	1,370	1,362
Interest expense	(84)	(169)
Interest income	(0)	(0)
Dividend income*	15	(3)
Share of loss/(gain) of equity accounted investees (net of income tax, if any)	-	(2)
Liabilities / provision no longer required written back	25	17
Expected credit loss on trade receivables	76	-
Provision for sale returns	5	-
Service tax deposit and credit written off	88	19
Unrealised foreign exchange loss	(81)	19
Change in fair value of derivative contracts	24	62
Effect of exchange rates on translation of operating cash flows	2,331	3,858
Operating cash flow before working capital changes		
Changes in working capital:		
Decrease in loans	63	7
Decrease in other financial assets	33	127
(Increase)/decrease in other current and non current assets	717	(830)
Decrease/(increase) in inventories	3,880	(3,371)
(Increase) in trade receivables	(21)	(776)
Increase in provisions	74	132
(Decrease)/increase in trade payables	(1,377)	2,178
Increase in other financial liabilities	285	389
Increase in other current liabilities	297	122
Cash generated from operating activities	6,281	1,836
Income tax (paid), net	(15)	(180)
Net cash generated from operating activities (A)	6,267	1,655
Cash flow from investing activities	(958)	(2,024)
Acquisition of property, plant and equipment (including capital advances, capital creditors)	4	29
Proceeds from sale of property, plant and equipment	(346)	-
Consideration paid for purchase of investments	-	(50)
Investment in equity accounted investees	(94)	123
Movement in other bank balances	51	69
Interest received	0	0
Dividend received*	(1,343)	(1,852)
Net cash (used) in investing activities (B)		
Cash flow from financing activities	-	6
Share application money received	10	25
Amount received on allotment of stock options in the subsidiary company	613	2,260
Proceeds from non-current borrowings	(791)	(1,665)
Repayment of non-current borrowings	(3,334)	1,365
Proceeds from/repayments of current borrowings (net)	184	572
Proceeds from current borrowings having maturity period more than 3 months	(288)	(5)
Repayment of current borrowings having maturity period more than 3 months	(1,604)	(1,597)
Lease payments made	(701)	(807)
Interest paid	-	(291)
Dividend paid on equity shares	-	(60)
Dividend distribution tax paid on dividend	(5,910)	(197)
Net cash (used) generated from financing activities (C)		
Net (Decrease) in cash and cash equivalents (A+B+C)	(986)	(395)
Cash and cash equivalents at the beginning of period	2,279	1,596
Cash and cash equivalents at the end of period (see below)	1,293	1,201
Notes:		
1. Components of cash and cash equivalents:		
Balances with banks in current accounts	1,115	803
Deposits with original maturity of less than three months	-	25
Cheques, drafts on hand	33	25
Cash on hand	55	208
Credit cards receivable	90	140
	1,293	1,201

*represents dividend income of Rs 0.26 lakh (Previous period: Rs 0.31 lakh)



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