



KDDL Limited

(CIN : L33302HP1981PLC008123)

Regd. Office: Plot No. 3, Sector - III, Parwanoo, Distt. Solan (H.P.)
Tel.: +91 172 2548223/24, Fax : +91 172 2548302, website: www.kddl.com
email id: investor.complaints@kddl.com,

28-11-2016

Ref: Folio No. / DPID & Client ID:

Dear Member,

Subject: KDDL Limited -Revised Circular inviting deposits from shareholders and Green Initiative

We wish to inform you that the Board of Directors have been authorized by the shareholders in the 36th Annual General Meeting to borrow from its shareholders by way of Fixed Deposits subject to compliance of conditions stated under the provisions of sections 73(2) of the Companies Act, 2013 ('Act') or any other applicable provisions of the Act, if any and subject to limits provided under the Act read with the Companies (Acceptance of Deposits) Rules, 2014.

The Board of Directors of the company in its meeting held on 7th October 2016 has revised some terms and conditions of the earlier circular in the form of advertisement issued on 19-09-2016, which shall come into effect to the deposits from shareholders received from 7th October 2016 onwards.

The Deposits accepted by the Company will be cumulative or non-cumulative as per the scheme approved by the Company and carrying rates of interest for periods varying from one year to three years, which shall not exceed the maximum rate of interest prescribed by the Reserve Bank of India.

As per the provisions of section 73(2) of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014, the revised Circular in the form of advertisement in Form DPT - 1 inviting deposits, has already been filed with the Ministry of Corporate Affairs/Registrar of Companies on 27-10-2016 vide SRN G18203547. A copy of the same, pursuant to section 73(2) of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014, is enclosed herewith.

Thanking you,

Yours Truly
For KDDL Limited

R.K. Sood
Company Secretary

FORM DPT - 1
CIRCULAR INVITING DEPOSITS

[Pursuant to section 73(2)(a) and section 76 and rule 4(1) and 4(2) of the Companies (Acceptance of Deposits) Rules, 2014)

1. GENERAL INFORMATION

a.	Name, address, website and other contact details of the company;	<p>KDDL Limited (CIN - L33302HP1981PLC008123)</p> <p>Registered office: Plot No. 3, Sector III, Parwanoo 173220 (Himachal Pradesh) Corporate office: 'Kamla Centre', S.C.O. 88-89, Sector 8-C, Madhya Marg, Chandigarh -160009 Tel. No.: +91 172-2548223/24 Fax :+91172-2548302 Website: www.kddl.com E-mail: investor.complaints@kddl.com</p>												
b.	Date of incorporation of the company;	8th January, 1981												
	Business carried on by the company and its subsidiaries with details of branches or units, if any;	<p>The Company is in the business of manufacturing of High Quality Watch Dials and components with 10 (ten) units located all over India.</p> <p>Following are the subsidiaries of the Company:-</p> <p>a) Ethos Limited (Retail business of selling Luxury Swiss Watches) with 42 stores located all over India. b) Mahen Distribution Limited (distribution of watches and its accessories and other lifestyle products) c) Pylania SA (Manufacture of Watch Dials) d) Kamla International Holdings SA (making overseas investment)</p> <p>Plant/Business Locations:-</p> <table border="1" style="width: 100%;"> <tr> <td style="width: 30%;">Dial Units</td> <td>a) Plot No. 3, Sector III, Parwanoo b) Haibatpur Road, Saddomajra, Derabassi</td> </tr> <tr> <td>Assembly Units</td> <td>Village Dhana, Bagbania, P.O. Manpura, Tehsil Baddi, District Solan, Himachal Pradesh</td> </tr> <tr> <td rowspan="2">Hands Units</td> <td>a) 296-97, 5th Main, 11th Cross, Peenya Industrial Area, Bangalore</td> </tr> <tr> <td>b) 408, 2nd Floor, 4th Main, 11th Cross, Peenya Industrial Area, Bangalore</td> </tr> <tr> <td rowspan="2">Packaging Units</td> <td>a) 25/1, Industrial Area, Phase II, Chandigarh b) Plot No. 9, Sector V, Parwanoo (H.P.)</td> </tr> <tr> <td>a) 408, 4th Main, 11th Cross, Peenya Industrial Area, Bangalore b) Plot No.9-B, Chokkasandra, Peenya Industrial Area, Bangalore</td> </tr> <tr> <td>E-Commerce Division</td> <td>Shop No.204 to 206, Square One Shopping Complex, Districty Centre, Saket Place, Saket, New Delhi</td> </tr> </table>	Dial Units	a) Plot No. 3, Sector III, Parwanoo b) Haibatpur Road, Saddomajra, Derabassi	Assembly Units	Village Dhana, Bagbania, P.O. Manpura, Tehsil Baddi, District Solan, Himachal Pradesh	Hands Units	a) 296-97, 5th Main, 11th Cross, Peenya Industrial Area, Bangalore	b) 408, 2 nd Floor, 4th Main, 11th Cross, Peenya Industrial Area, Bangalore	Packaging Units	a) 25/1, Industrial Area, Phase II, Chandigarh b) Plot No. 9, Sector V, Parwanoo (H.P.)	a) 408, 4th Main, 11th Cross, Peenya Industrial Area, Bangalore b) Plot No.9-B, Chokkasandra, Peenya Industrial Area, Bangalore	E-Commerce Division	Shop No.204 to 206, Square One Shopping Complex, Districty Centre, Saket Place, Saket, New Delhi
Dial Units	a) Plot No. 3, Sector III, Parwanoo b) Haibatpur Road, Saddomajra, Derabassi													
Assembly Units	Village Dhana, Bagbania, P.O. Manpura, Tehsil Baddi, District Solan, Himachal Pradesh													
Hands Units	a) 296-97, 5th Main, 11th Cross, Peenya Industrial Area, Bangalore													
	b) 408, 2 nd Floor, 4th Main, 11th Cross, Peenya Industrial Area, Bangalore													
Packaging Units	a) 25/1, Industrial Area, Phase II, Chandigarh b) Plot No. 9, Sector V, Parwanoo (H.P.)													
	a) 408, 4th Main, 11th Cross, Peenya Industrial Area, Bangalore b) Plot No.9-B, Chokkasandra, Peenya Industrial Area, Bangalore													
E-Commerce Division	Shop No.204 to 206, Square One Shopping Complex, Districty Centre, Saket Place, Saket, New Delhi													

d.	Brief particulars of the management of the company;	The Company is managed by the Chairman and Chief Executive Officer under the overall direction of the Board of Directors and assisted by a team of professional managers.	
e.	Name, addresses, DIN and occupations of the directors;		
S.No.	Name and Address of the Director	DIN	Occupation of the Director
1.	Mr. Rajendra Kumar Saboo House No. 1, Sector 5, Chandigarh	00012194	Industrialist
2.	Mr. Yashovardhan Saboo House No. 1, Sector 5, Chandigarh	00012158	Industrialist
3.	Mr. Jagesh Khaitan House No. 47, Sector 4, Chandigarh	00026264	Industrialist
4.	Mr. Anil Khanna House No. 515, Sector 36-B, Chandigarh	00012232	Practicing Chartered Accountant
5.	Mr. Praveen Gupta B-9/11, 2nd Floor, DLF City, Phase I, Gurgaon 122001 (Haryana)	01885287	Industrialist
6.	Mrs. Ranjana Agarwal C-62, South Extension, Part II, New Delhi	03340032	Practicing Chartered Accountant
7.	Mr. Vishal Satinder Sood B-902, Central Park 1, Golf Course Road, Sector 42, Gurgaon(Haryana)	01780814	Service
8.	Mr. Sanjeev Kumar Masown H. No. 190/1, Sector 40-A, Chandigarh	03542390	Service
f.	Management's perception of risk factors;	Since risk is inherent in every business, it is the Company's responsibility to minimize its incidence in order to protect and enhance shareholder value. The framework of the Company for combating risks recognizes that risks may be divided into two broad categories - risks that are common and relevant for most business in general and risks that are more specifically applicable to our Company and business in particular. The Risk Management Policy at KDDL inter-alia provides for Risk identification, assessment, and reporting and mitigation procedure. The Policy is continuously updated and adopted to the changing environment in which the Company operates.	
g.	Details of default, including the amount involved, duration of default and present status, in repayment of -		
i)	Statutory dues	Nil	
ii)	Debentures and interest thereon	Nil	
iii)	Loan from any bank or financial institution and interest thereon.	Nil	
2. PARTICULARS OF THE DEPOSIT SCHEME			
a.	Date of passing of board resolution;	7th October , 2016	
b.	Date of passing of resolution in the general meeting authorizing the invitation of such deposits;	12th August 2016	
c.	Type of deposits, i.e., whether secured or unsecured;	Unsecured	

<p>d. i. Amount which the company can raise by way of deposits as per the Act and the rules made thereunder,</p> <p>ii. the aggregate of deposits actually held on the last day of the immediately preceding financial year and on the date of the issue of circular or advertisement and</p> <p>iii. amount of deposit proposed to be raised and</p> <p>iv. amount of deposit repayable within the next twelve months;</p>	<p>Rs. 857.63 Lacs for acceptance or renewal of Short term deposits for repayment earlier than 6 months from the date of deposit or renewal but repayable not earlier than 3 months. From members upto 10% of the aggregate of the paid up share capital and free reserves. {Scheme A}</p> <p>Rs. 3001.71 for acceptance or renewal of any deposit, if the amount of such deposits together with the amount of other deposits outstanding as on date of acceptance or renewal of such deposits between 6 months and 36 months. From members upto 35% of the paid up share capital and free reserves. {Scheme B and C}</p> <p>Rs. 1136.98 Lacs as on 31.03.2016</p> <p>Rs. 1267.91 Lacs as on 07.10.2016</p> <p>Rs.3859.34 Lacs</p> <p>At various dates</p>																																																	
<p>e. Terms of raising of deposits : Duration, Rate of interest, mode of payment and repayment;</p>	<p>Scheme A - Short Term Deposits</p> <table border="1" data-bbox="672 974 1529 1178"> <thead> <tr> <th>Period</th> <th>Rate of Interest</th> <th>Interest Payable</th> <th>Minimum Amount of Deposit (Rs.)</th> </tr> </thead> <tbody> <tr> <td>More than 3 months and less than 6 months</td> <td>8.50%</td> <td>On maturity</td> <td>2,00,000</td> </tr> </tbody> </table> <p>Scheme B - Fixed Deposit</p> <table border="1" data-bbox="672 1247 1529 1461"> <thead> <tr> <th>Period</th> <th>Rate of Interest</th> <th>Interest Payable</th> <th>Minimum Amount of Deposit (Rs.)</th> </tr> </thead> <tbody> <tr> <td>12 months</td> <td>10.00%</td> <td>Qtrly.</td> <td>50,000</td> </tr> <tr> <td>24 months</td> <td>11.00%</td> <td>Qtrly.</td> <td>25,000</td> </tr> <tr> <td>36 months</td> <td>11.50%</td> <td>Qtrly.</td> <td>25,000</td> </tr> </tbody> </table> <p>Scheme C - Cumulative Deposit</p> <table border="1" data-bbox="672 1535 1529 1856"> <thead> <tr> <th>Period</th> <th>Compounding Basis deposit</th> <th>Minimum (Rs.) amount of deposit (Rs.)</th> <th>Rate of interest with quarterly compounding</th> <th>Effective yield per annum (Approx.)</th> </tr> </thead> <tbody> <tr> <td>6 months</td> <td>Quarterly</td> <td>1,00,000</td> <td>8.50%</td> <td>8.59%</td> </tr> <tr> <td>12 months</td> <td>Quarterly</td> <td>50,000</td> <td>10.00%</td> <td>10.38%</td> </tr> <tr> <td>24 months</td> <td>Quarterly</td> <td>25,000</td> <td>11.00%</td> <td>12.12%</td> </tr> <tr> <td>36 months</td> <td>Quarterly</td> <td>10,000</td> <td>11.50%</td> <td>13.50%</td> </tr> </tbody> </table>	Period	Rate of Interest	Interest Payable	Minimum Amount of Deposit (Rs.)	More than 3 months and less than 6 months	8.50%	On maturity	2,00,000	Period	Rate of Interest	Interest Payable	Minimum Amount of Deposit (Rs.)	12 months	10.00%	Qtrly.	50,000	24 months	11.00%	Qtrly.	25,000	36 months	11.50%	Qtrly.	25,000	Period	Compounding Basis deposit	Minimum (Rs.) amount of deposit (Rs.)	Rate of interest with quarterly compounding	Effective yield per annum (Approx.)	6 months	Quarterly	1,00,000	8.50%	8.59%	12 months	Quarterly	50,000	10.00%	10.38%	24 months	Quarterly	25,000	11.00%	12.12%	36 months	Quarterly	10,000	11.50%	13.50%
Period	Rate of Interest	Interest Payable	Minimum Amount of Deposit (Rs.)																																															
More than 3 months and less than 6 months	8.50%	On maturity	2,00,000																																															
Period	Rate of Interest	Interest Payable	Minimum Amount of Deposit (Rs.)																																															
12 months	10.00%	Qtrly.	50,000																																															
24 months	11.00%	Qtrly.	25,000																																															
36 months	11.50%	Qtrly.	25,000																																															
Period	Compounding Basis deposit	Minimum (Rs.) amount of deposit (Rs.)	Rate of interest with quarterly compounding	Effective yield per annum (Approx.)																																														
6 months	Quarterly	1,00,000	8.50%	8.59%																																														
12 months	Quarterly	50,000	10.00%	10.38%																																														
24 months	Quarterly	25,000	11.00%	12.12%																																														
36 months	Quarterly	10,000	11.50%	13.50%																																														

f.	Proposed time schedule mentioning the date of opening of the Scheme and time period for which the circular or advertisement is valid;	The Scheme shall be opened after 30 days from its date of filing with the Registrar of Companies and shall be valid till the forthcoming Annual General Meeting of the Company.
g.	Reasons or objects of raising the deposits;	For meeting working capital requirements of the Company.
h.	Credit rating obtained; Name of the Credit Rating Agencies, Rating obtained, Meaning of rating obtained, Date on which rating was obtained	Name of the Credit Rating Agency - CRISIL Rating Obtained - FA-/Stable Meaning of rating obtained - CRISIL believes that the degree of safety regarding timely payment of interest and principal is satisfactory. Date on which rating was obtained - January 21, 2016
i.	Extent of deposit insurance; Name of the Insurance Company, terms of the insurance coverage, duration of coverage, extent of coverage, procedure for claim in case of default etc.	-- Not applicable --
j.	Short particulars of the charge created or to be created for securing such deposits, if any;	-- Not applicable --
k.	Any financial or other material interest of the directors, promoters or key managerial personnel in such deposits and the effect of such interest in so far as it is different from the interests of other persons.	Nil Deposits from Directors' Relatives or Key Managerial Personnel or their relatives are at par with the deposits accepted from members.

3. DETAILS OF ANY OUTSTANDING DEPOSITS

a.	Amount Outstanding; (as on 31st March, 2016)	Rs. 113,698,000 (Rupees Eleven crore thirty six lacs ninety eight thousand only)
b.	Date of acceptance;	Accepted from time to time as per working capital requirements of the Company.
c.	Total amounts accepted;	Rs. 55,056,000 (Rupees fifty five lac fifty six thousands only)
d.	Rate of interest;	Maximum of 11.50%
e.	Total number of depositors;	
f.	Default, if any, in repayment of deposits and payment of interest thereon if any, including number of depositors, amount and duration of default involved;	Nil
g.	Any waiver by the depositors, of interest accrued on deposits;	Nil

4. FINANCIAL POSITION OF THE COMPANY

a.	Profits of the company, before and after making provision for tax, for the three financial years immediately preceding the date of issue of circular;			
		2015-16	2014-15	2013-14
	Profits before making provision for tax	97,122,129	10,40,40,026	6,73,62,221
	Profits after making provision for tax	65,773,897	6,50,62,202	4,23,92,377
b.	Dividends declared by the company in respect of the said three financial years; interest coverage ratio for last three years (Cash profit after tax plus interest paid or interest paid)			

Dividends declared by the company:-

Year ended on Re. per share	
31st March, 2016	1.50*
31st March, 2015	2.00
31st March, 2014	1.50

Interest coverage ratio for last three years

Year ended on	(Rs.)
31st March, 2016	2.77
31st March, 2015	2.45
31st March, 2014	1.93

*(Interim dividend paid during the year 2015-16 confirmed as final dividend)

c. A summary of the financial position of the company as in the three audited balance sheets immediately preceding the date of issue of circular;

As under:-

Liabilities	As at 31.03.2016	As at 31.03.2015	As at 31.03.2014	Assets	As at 31.03.2016	As at 31.03.2015	As at 31.03.2014
Share capital	101,720,100	9,16,36,100	9,12,38,600	Fixed Assets	615,003,515	55,29,11,651	58,07,89,699
Reserves and Surplus	755,911,215	43,35,96,649	40,16,61,871	Non current investments	323,750,792	18,68,72,302	18,57,68,573
Long term and Short term Borrowings	326,474,844	42,46,57,498	45,90,28,330	Long term and short term loans and advances	153,655,122	15,95,08,076	16,61,94,660
Long term and short term provisions	53,528,057	6,91,12,943	5,63,80,470	Other Non - Current Assets	2,056,624	2,37,496	22,33,537
Deferred tax liabilities (net)	38,002,832	4,12,49,912	4,94,24,954	Current Assets	462,778,101	46,18,47,939	45,63,22,112
Other long term liabilities	7,403,039	32,63,352	26,21,589				
Trade payables	98,834,620	11,61,47,000	11,97,40,399				
Other current liabilities	175,369,447	18,17,14,010	21,12,12,368				
TOTAL	1,557,244,154	1,36,13,77,464	1,39,13,08,581	TOTAL	1,557,244,154	1,36,13,77,464	1,39,13,08,581

d. Audited Cash Flow Statement for the three years immediately preceding the date of issue of circular.

As under:-

Particulars	Year ended 31st March, 2016	Year ended 31st March, 2015	Year ended 31st March, 2014
Cash flow from operating activities	179,229,084	19,20,68,158	11,18,83,243
Cash flow from investing activities	(270,588,158)	(7,91,58,438)	(5,01,68,136)
Cash flow from financing activities	75,521,565	(13,00,82,471)	(2,74,88,618)
Net increase/(decrease) in cash and cash equivalents	(15,837,508)	(1,71,72,752)	3,42,26,490
Opening cash and cash equivalents	27,289,299	4,44,62,051	1,02,35,561
Transfer of cash and bank balances pursuant to the scheme of merger	-	-	-
Closing cash and cash equivalents	11,451,791	2,72,89,299	4,44,62,051

e. Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company.

No

5. A DECLARATION BY THE DIRECTORS THAT -

a. the company has not defaulted in the repayment of deposits accepted either before or after the commencement of the Act or payment of interest thereon;

- b. the board of directors have satisfied themselves fully with respect to the affairs and prospects of the company and that they are of the opinion that having regard to the estimated future financial position of the company, the company will be able to meet its liabilities as and when they become due and that the company will not become insolvent within a period of one year from the date of issue of the circular
 - c. the company has complied with the provisions of the Act and the rules made thereunder;
 - d. the compliance with the Act and the rules does not imply that repayment of deposits is guaranteed by Central Government;
 - e. the deposits accepted by the company before the commencement of the Act will be repaid along with interest within 365 days w.e.f. 01.04.2014 as per provisions of section 74(2) or within such extended period as may be allowed by Company Law Board/National Company Law Tribunal and until they are repaid, they shall be treated as unsecured and ranking pari passu with other unsecured liabilities).
 - f. in case of any adverse change in credit rating, depositors will be given a chance to withdraw deposits without any penalty.
 - g. the deposits shall be used only for the purposes indicated in the Circular;
 - h. the deposits accepted by the company (other than the secured deposits, if any, aggregate amount of which to be indicated) are unsecured and rank pari passu with other unsecured liabilities of the company.
6. **DISCLAIMER-** It is to be distinctly understood that filing of circular in the Form of advertisement with the Registrar should not in any way be deemed or construed that the same has been cleared or approved by the Registrar or Central Government. The Registrar or Central Government does not take any responsibility either for the financial soundness of any deposit scheme for which the deposit is being accepted or invited or for the correctness of the statements made or opinions expressed in the circular or circular in the form of advertisement. The depositor should exercise due diligence before investing in the deposit schemes.
7. **A DECLARATION BY THE DIRECTORS THAT -**
- a. the company has not defaulted in the repayment of deposits accepted either before or after the commencement of the Act or payment of interest thereon;
 - b. the board of directors have satisfied themselves fully with respect to the affairs and prospects of the company and that they are of the opinion that having regard to the estimated future financial position of the company, the company will be able to meet its liabilities as and when they become due and that the company will not become insolvent within a period of one year from the date of issue of the circular;
 - c. the company has complied with the provisions of the Act and the rules made thereunder;
 - d. the compliance with the Act and the rules does not imply that repayment of deposits is guaranteed by Central Government;
 - e. the deposits accepted by the company before the commencement of the Act will be repaid along with interest within 365 days w.e.f. 01.04.2014 as per provisions of section 74(2) or within such extended period as may be allowed by Company Law Board/National Company Law Tribunal and until they are repaid, they shall be treated as unsecured and ranking pari passu with other unsecured liabilities).
 - f. in case of any adverse change in credit rating, depositors will be given a chance to withdraw deposits without any penalty.
 - g. the deposits shall be used only for the purposes indicated in the Circular;
 - h. the deposits accepted by the company (other than the secured deposits, if any, aggregate amount of which to be indicated) are unsecured and rank pari passu with other unsecured liabilities of the company.
8. **DISCLAIMER-** It is to be distinctly understood that filing of circular in the Form of advertisement with the Registrar should not in any way be deemed or construed that the same has been cleared or approved by the Registrar or Central Government. The Registrar or Central Government does not take any responsibility either for the financial soundness of any deposit scheme for which the deposit is being accepted or invited or for the correctness of the statements made or opinions expressed in the circular or circular in the form of advertisement. The depositor should exercise due diligence before investing in the deposit schemes.
- b. the board of directors have satisfied themselves fully with respect to the affairs and prospects of the company and that they are of the opinion that having regard to the estimated future financial position of the company, the company will be able to meet its liabilities as and when they become due and that the company will not become insolvent within a period of one year from the date of issue of the circular

Date : 7th October, 2016
Place: Chandigarh

By order of the Board
R.K.Sood
Company Secretary

PS: The text of this Circular has been approved by the Board of Directors of the Company at its meeting held on 07.10.2016 and a copy thereof duly signed by the majority of the Directors of the Company has been filed with the Registrar of Companies, Himachal Pradesh at Chandigarh filed on 27.10.2016 vide SRN No. G18203547 on the MCA portal.