



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,

15-09-2017

Ref: Folio No. / DPID & Client ID:

Dear Member,

Subject: KDDL Limited -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 37th 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 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 16-08-2017 vide SRN G50512524. 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

Sd/-
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)</p> <p>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													
c.	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 allover 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.</p> <p>b) Mahen Distribution Limited (distribution of watches and its accessories and other lifestyle products)</p> <p>c) Pylania SA (Manufacture of Watch Dials)</p> <p>d) Kamla International Holdings SA (making overseas investment)</p> <p>e) Satva Jewellery and Design Limited</p> <p>Plant/Business Locations:-</p> <table border="1" style="width: 100%;"> <tr> <td style="width: 25%;">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>Hands Units</td> <td>a) 296-97, 5th Main, 11th Cross, Peenya Industrial Area, Bangalore b) 408, 2"d Floor, 4th Main, 11th Cross, Peenya Industrial Area, Bangalore</td> </tr> <tr> <td>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>Precision Stamping Unit</td> <td>a) 408, 4th Main, 11th Cross, Peenya Industrial Area, Bangalore b) Plot No.9-B, Chokkasandra, Peenya Industrial Area, Bangalore c) Plot No. 55-A, Aerospace 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"d 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.)	Precision Stamping Unit	a) 408, 4th Main, 11th Cross, Peenya Industrial Area, Bangalore b) Plot No.9-B, Chokkasandra, Peenya Industrial Area, Bangalore c) Plot No. 55-A, Aerospace Industrial Area, Bangalore	E-Commerce Division	Shop No.204 to 206, Square One Shopping Complex, Districty Centre, Saket Place, Saket, New Delhi
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d.	Brief particulars of the management of the company.	The Company is managed by the Managing Director under the overall direction and control 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. Yashovardhan Saboo House No. 1, Sector 5, Chandigarh	00012158	Industrialist
2.	Mr. Jagesh Khaitan House No. 47, Sector 4, Chandigarh	00026264	Industrialist
3.	Mr. Anil Khanna House No. 515, Sector 36-B, Chandigarh	00012232	Practicing Chartered Accountant
4.	Mr. Praveen Gupta B-9/11, 2nd Floor, DLF City, Phase I, Gurgaon 122001 (Haryana)	01885287	Industrialist
5.	Mrs. Ranjana Agarwal C-62, South Extension, Part II, New Delhi	03340032	Practicing Chartered Accountant
6.	Mr. Vishal Satinder Sood B-902, Central Park 1, Golf Course Road, Sector 42, Gurgaon(Haryana)	01780814	Service
7.	Mr. Jai Vardhan Saboo 1701, Kirby Road, Mclean, VA	00025499	Industrialist
8.	Mr. Sanjiv Sachar 1525 B, The Magnolias, DLF Golf Links, DLF 5, Guragon-122009, Haryana	02013812	Consultant
9.	Mr. Sanjeev Kumar Masown H. No. 190/1, Sector 40-A, Chandigarh	03542390	Service
f.	Management's perception of risk factors;	<p>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.</p> <p>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.</p>	
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 there	Nil	

2. PARTICULARS OF THE DEPOSIT SCHEME

a. Date of passing of board resolution;	11th August, 2017																																																				
b. Date of passing of resolution in the general meeting authorizing the invitation of such deposits;	11th August, 2017																																																				
c. Type of deposits, i.e., whether secured or unsecured;	Unsecured																																																				
d. i. Amount which the company can raise by way of deposits as per the Act and the rules made thereunder,	<p>Rs.1128.04 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. 3948.14 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>																																																				
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	Rs. 1124.82 Lacs as on 31.03.2017																																																				
iii. amount of deposit proposed to be raised and	Rs. 1154.43 Lacs as on 11.08.2017																																																				
iv. amount of deposit repayable within the next twelve months;	Rs.5076.18 Lacs																																																				
	At various dates																																																				
e. Terms of raising of deposits : Duration, Rate of interest, mode of payment and repayment;	<p>Scheme A - Short Term Deposits</p> <table border="1"> <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>8.00%</td> <td>On maturity</td> <td>2,00,000</td> </tr> </tbody> </table> <p>Scheme B - Fixed Deposit</p> <table border="1"> <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>9.00%</td> <td>Qtrly.</td> <td>50,000</td> </tr> <tr> <td>24 months</td> <td>9.75%</td> <td>Qtrly.</td> <td>25,000</td> </tr> <tr> <td>36 months</td> <td>10.25%</td> <td>Qtrly.</td> <td>25,000</td> </tr> </tbody> </table> <p>Scheme C - Cumulative Deposit</p> <table border="1"> <thead> <tr> <th>Period</th> <th>Compounding Basis deposit</th> <th>Minimum 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>8.00%</td> <td>8.08%</td> </tr> <tr> <td>12 months</td> <td>Quarterly</td> <td>50,000</td> <td>9.00%</td> <td>9.31%</td> </tr> <tr> <td>24 months</td> <td>Quarterly</td> <td>25,000</td> <td>9.75%</td> <td>10.62%</td> </tr> <tr> <td>36 months</td> <td>Quarterly</td> <td>10,000</td> <td>10.25%</td> <td>11.83%</td> </tr> </tbody> </table>				Period	Rate of Interest	Interest Payable	Minimum Amount of Deposit (Rs.)	More than 3 months and less than 6 months	8.00%	On maturity	2,00,000	Period	Rate of Interest	Interest Payable	Minimum Amount of Deposit (Rs.)	12 months	9.00%	Qtrly.	50,000	24 months	9.75%	Qtrly.	25,000	36 months	10.25%	Qtrly.	25,000	Period	Compounding Basis deposit	Minimum amount of deposit (Rs.)	Rate of interest with quarterly compounding	Effective yield per annum (Approx.)	6 months	Quarterly	1,00,000	8.00%	8.08%	12 months	Quarterly	50,000	9.00%	9.31%	24 months	Quarterly	25,000	9.75%	10.62%	36 months	Quarterly	10,000	10.25%	11.83%
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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 - ICRA Rating Obtained - MA-(Stable) Meaning of rating obtained - ICRA believes that the outlook on the long -term and medium term rating is 'Stable' Date on which rating was obtained - 21st February, 2017
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, 2017)	Rs.112,482,000 (Rupees Eleven crore twenty four lacs eighty two thousand only)
b.	Date of acceptance;	Accepted from time to time as per working capital requirements of the Company.
c.	Total amounts accepted;	Rs.54,415,000 (Rupees five crore forty four lac fifteen thousand sonly)
d.	Rate of interest;	Maximum of 10.25%
e.	Total number of depositors;	390
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;			
		2016-17	2015-16	2014-15
	Profits before making provision for tax	111,107,012	97,122,129	10,40,40,026
	Profits after making provision for tax	71,474,911	65,773,897	6,50,62,202
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, 2017	1.50
31st March, 2016	1.50*
31st March, 2015	2.00

Interest coverage ratio for last three years

Year ended on	(Rs.)
31st March, 2017	2.77
31st March, 2016	2.77
31st March, 2015	2.45

*(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:-

Liabilities	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015	Assets	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015
Share capital	109,267,260	101,720,100	9,16,36,100	Fixed Assets	661,830,219	615,003,515	55,29,11,651
Reserves and Surplus	1,018,776,582	755,911,215	43,35,96,649	Non current investments	480,154,086	323,750,792	18,68,72,302
Money received against share warrants	25,078,602	-	-	Long term and short term loans and advances	156,041,034	153,655,122	15,95,08,076
Long term and Short term Borrowings	303,742,098	326,474,844	42,46,57,498	Other Non - Current Assets	2,183,973	2,056,624	2,37,496
Long term and short term provisions	37,404,028	53,528,057	6,91,12,943	Current Assets	521,466,229	462,778,101	46,18,47,939
Deferred tax liabilities (net)	42,728,687	38,002,832	4,12,49,912				
Other long term liabilities	10,050,696	7,403,039	32,63,352				
Trade payables	100,321,028	98,834,620	11,61,47,000				
Other current liabilities	174,306,560	175,369,447	18,17,14,010				
TOTAL	1,821,675,541	1,557,244,154	1,36,13,77,464	TOTAL	1,821,675,541	1,557,244,154	1,36,13,77,464

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

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016	Year ended 31st March, 2015
Cash flow from operating activities	189,707,494	179,229,084	19,20,68,158
Cash flow from investing activities	(318,581,508)	(270,588,158)	(7,91,58,438)
Cash flow from financing activities	132,916,512	75,521,565	(13,00,82,471)
Net increase/(decrease) in cash and cash equivalents	4,042,497	(15,837,508)	(1,71,72,752)
Opening cash and cash equivalents	11,451,791	27,289,299	4,44,62,051
Transfer of cash and bank balances pursuant to the pursuant to the scheme of merger	-	-	-
Closing cash and cash equivalents	15,494,288	11,451,791	2,72,89,299

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 -

- 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;
- 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.(a) 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 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 solvent within a period of one year from the date of issue of circular.

Date : 11th August, 2017.
Place : Parwanoo (H.P.)

By Order of the Board

Sd/-
R. K. Sood
Company Secretary

P.S. The text of this Circular has been approved by the Board of Directors of the company at its meeting held on 11th August, 2017 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 on 16th August, 2017 vide SRN No. G50512524 of the MCA Portal.