

DAMODAR INDUSTRIES LIMITED

REGD. OFFICE: 19/22 & 27/30, MADHU ESTATE, PANDURANG BUDHKAR MARG, WORLI, MUMBAI - 400 013

CIN: L17110MH1987PLC045575

•Tel: +91 - 022 - 66610301-2 •Fax: 022- 6661 0308

•E-mail:cs@damodargroup.com •Website:www.damodargroup.com

FORM DPT - 1

CIRCULAR OR CIRCULAR IN THE FORM OF ADVERTISEMENT INVITING DEPOSITING

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

The circular or circular in the form of advertisement shall contain the following:

1. GENERAL INFORMATION

(a) Name of the Company

:DAMODARINDUSTRIES LIMITED

19/22 & 27/30 Madhu Estate,

Pandurang Budhkar Marg

Worli, Mumbai - 400 013

Phone No. : 022-66610301-2

Fax No. : 022- 66610308

Email ID : cs@damodargroup.com

Website: www.damodargroup.com

(b) Date of incorporation of the company : 11th December, 1987

(c) The business carried on by the Company & its Subsidiaries with details of branches or units, if any:

The Company is engaged in the business of manufacturing and processing of Cotton yarn and Fancy yarn.

The Company has its Head office at Mumbai and factory at Silvassa.

OFFICE: The Company has office at:-

Mumbai : 19/22 & 27/30, Madhu Estate, Pandurang Budhkar Marg, Worli, Mumbai - 400 013

: 5/145-B, Dr. Viegas street, Ground Floor, Kalbadevi, Mumbai - 400 002

WORKS : The Company's manufacturing units are situated at:-

Dadra (U.T.): Survey No. 265/10/1, 2, 3, Demni Road, Dadra Village, Silvassa - 396 230

Daman (U.T.): Plot No. 165/67/68, Dabhel Ind. Co.-Op. Soc., Dabhel, Nani Daman - 396210

Amravati : T-26, Add. Textile Park (MIDC Amravati), Amravati, Maharashtra - 444605

The Company has no subsidiaries.

(d) Brief particulars of the managements of the company.

The company is managed by the Managing Director and Whole-Time Director's, subject to the supervision, direction and control of the board of Directors.

(e) Name, Occupation and Addresses of the Directors:

	Name of Director	Address	DIN	Occupation
(i)	Shri Arun Kumar Biyani (Chairman)	1702, Sumer Trinity Tower-1 New Prabhadevi Road, Mumbai - 400 025	00016519	Business
(ii)	Shri Ajay D. Biyani (Managing Director)	1704, B-2, 17 th Floor, Sumer Trinity, New Prabhadevi Road, Mumbai - 400 025	00014896	Business
(iii)	Shri Anil D. Biyani (Executive Director)	1804, B-2, 18 th Floor, Sumer Trinity, New Prabhadevi Road, Mumbai - 400 025	00016554	Business

(Signatures of Directors and Company Secretary)

Arun Biyani *Anil Biyani*

J. B. Fombrun

(iv)	Shri Girdharlal S. Daga (Director)	31,7 th Floor, Gita Smruti Bldg, PT, Ramabai Road, Gamdevi Mumbai – 400 007	00115772	Practicing Chartered Accountant
(v)	Shri Raghavan Srinivas (Director)	E 203, Vatika Township Near Model Town Dumbhal, Surat - 395010	07090385	Service
(vi)	Shri Ashok Kumar Damani (Director)	83, Mistry Park Co op Society 77, Bhulabhai Desai Road, Breach Candy, Mumbai – 400 026	00069143	Business
(vii)	Smt. Farida Bomi Jambusarwalla (Director)	495, Homiyar Villa, Daulat Nagar, Vapi Daman Road, Chala, Vapi-396191, Gujrat	07139945	Consultant

(f) Management's perception of risk factors:

The deposit accepted by the company are unsecured and rank pari passu with other unsecured liabilities of the company.

(g) The Company has not made any default in -

- repayment of Deposits or interest thereon
- statutory dues;
- debentures and interest thereon - N.A.
- loan from any bank or financial institution and interest thereon.

PARTICULARS OF THE DEPOSIT SCHEME

a.	Date of passing of board resolution	May 26, 2018
b.	Date of passing of resolution in the General Meeting	July 28, 2018
c.	Type of deposits	UNSECURED DEPOSITS

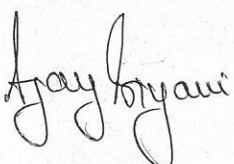
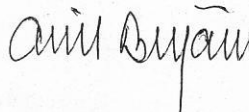
d. Amount which the company can raise and the aggregate deposits actually held as on 31st March, 2018.

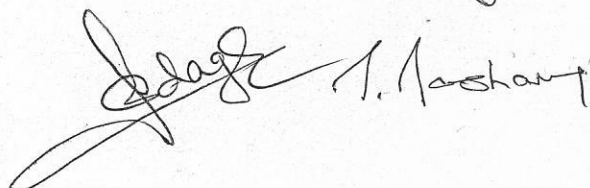

(Rs. in Lakhs)

Sl No.	Particulars	Limit up to which deposit can be accepted	Deposit outstanding as on March 31, 2018
1.	From Public (35% of the aggregate paid up capital and free reserves)	3693.27	2920.67
2.	From Share Holders or any guarantee by any Director (10% of the aggregate paid up capital and free reserves)	1055.22	722.53
	Total	4748.49	3643.20

- The Aggregate of Deposit actually held on the last day of the immediately preceding financial year, i.e. March 31, 2018: Rs. 36,43,20,000/-
- The aggregate of Deposits repayable within the next Twelve months as on the last day of the immediately preceding financial year, i.e. March 31, 2019: Rs. 4,11,47,000/-

e. Terms of raising of deposits: Duration, Rate of interest, mode of payment and repayment;

SCHEME
Quarterly Interest Payable

Period (Months)	Minimum deposit	Rate of Interest (p.a.)	Rate of Interest (p.a.) Senior Citizen / Employee of the Company and Shareholders of the Company
12	25,000	9%	9.50%
24	25,000	9.50%	10%
36	25,000	10%	10.50%

f. TERMS & CONDITION GOVERNING FIXED DEPOSIT SCHEME APPLICATION AND AMOUNT OF DEPOSIT:

1. APPLICATION FOR UNSECURED DEPOSITS will be accepted in the prescribed form, duly completed, should be lodged at the Fixed deposit Department of the company at the Company's Registered Office at Mumbai or Factory at Silvassa or at the offices of the brokers.
2. Deposit should be made by an "A/c Payee: cheque /bank draft payable at Mumbai and drawn in favour of DAMODAR INDUSTRIES LIMITED and payable at Mumbai. OUTSTATION CHEQUE WILL NOT ACCEPTED.
3. Deposited will not be accepted in cash and Fixed cannot be placed out of/utilizing any kind of borrowed funds & depositors will have to give a declaration that the deposit is not made out of the borrowed funds from any sources.
4. Minimum amount of Unsecured deposit accepted in 25000/- and in Multiples of 1000/- thereafter.
5. Unsecured Deposits will be accepted from Resident Individuals (either in single name or in joint names not exceeding three). Deposits from minors will be accepted only through guardians. Deposit will not be accepted from Non- Residents, Foreign Nationals, Unregistered Trust and Partnership Firm. Signature by thumb impression must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under his official Seal.

PERIOD OF DEPOSIT AND INTEREST

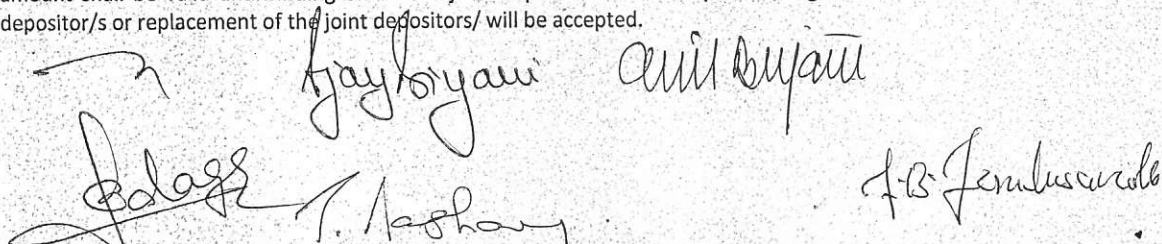
6. Unsecured Deposit shall be for a fixed period of 1, 2 or 3 years. Interest will be due and payable quarterly on 31st March, 30th June, 30th September and 31st December every year and last payment of interest will be on the date of maturity of deposit. Interest will be calculated on the basis of 365 days a year from the date of realization of the cheque/demand draft by the company.
7. Interest will cease on the date of maturity of the deposit.
8. Payment of interest will be made by ECS/"account payee" cheques drawn on the Company's Bankers and payable at par at specified branches in India. Interest warrants will be dispatched by ordinary post and shall not be responsible for any loss and delay in transit. Where the due date falls on a Sunday/ Bank Holiday, the payment will be made on the next working day.
9. Notification to the company regarding change in address etc. must be lodged at least 45 days before the date on which interest payment falls due.
10. Excess Interest paid, if any, under any circumstances, will be recovered from the subsequent payment of interest or the principal amount.

INCOME TAX ON INTEREST

11. If the interest paid at any time exceeds the limits prescribed by the Income Tax Act, 1961, Tax at appropriate rate will be deducted at source from Interest. Under the regulation currently in force, no tax will be deducted if the amount of interest paid and/or credited in a year does not exceed ` 5000/-. In case of a depositor with total income less than the minimum liable to tax during the financial year (i.e. 1st April to 31st March), no tax will be deducted on producing a declaration to the effect in the prescribed Form (in duplicate) duly signed by the depositor at the beginning of each financial year.
12. Tax to be deducted will be determined after clubbing all deposits a person have in his/her capacity as the first named depositor.

UNSECURED FIXED DEPOSIT RECEIPTS:

13. Unsecured Deposits will be accepted in joint name not exceeding THREE. The First depositor will be regarded as the benefit owner of the Deposit and will be treated as the payee for the purpose of deducting tax U/s 194A of the Income Tax Act, 1961.
14. All Correspondence in such deposits will be address to the person whose name appears first on the unsecured deposit receipt. All cheque/warrants for the payment of principal amount will be drawn in favour of the person(s) opted in the application from. Any discharge given by such persons for payment of interest and the principal amount shall be valid and binding on all the joint depositor. No subsequent change in the order of names of depositor/s or replacement of the joint depositors/ will be accepted.



15. In case of instruction on any matters (except re-payment as opted in the application for overleaf), relating to this fixed deposit are to be given, application in that behalf should be signed by all the joint holders and not by any one of them. The Company shall not act upon instruction of any one of them and they shall not be binding to the company.
16. Deposit Receipt will be forwarded by Registered Post at the address of the first applicant given in the Applicant Form.
17. In case deposits made in joint names, all correspondence/payment of interest and refund will be in favour of the first named depositor only.
18. In the event of loss, destruction or mutilation of the Fixed Deposit Receipt, the Company may, at its sole discretion, issue a duplicate receipt, subject to compliance with such terms and conditions, including indemnity from the depositor(s) as the Company may require. All expenses in this connection will be borne by the depositor(s).
19. Deposit receipts are neither negotiable nor transferable. However, the Company may, at its sole discretion permit the addition of one name of the Deposit Receipt under certain circumstances and subject to such terms and conditions as it may deem fit.
20. The Company will take approximately Twenty one days to issue Deposit Receipts.

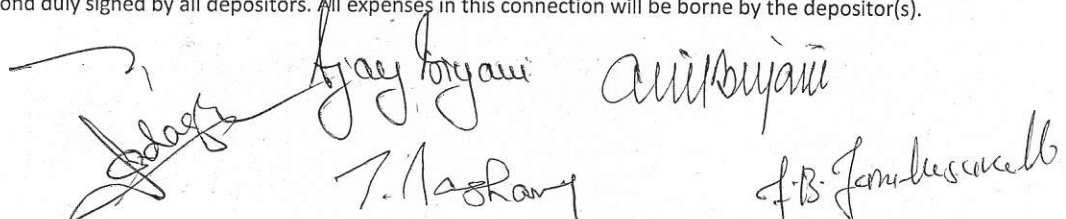
RENEWAL / REPAYMENT OF DEPOSITS

21. The deposit receipt duly discharged on a revenue stamp should be sent to the Company at its Registered Office at Bombay at 30 days before the date of maturity, to enable the Company to renew/refund the deposit on the due date. No renewals will be done after expiry of a period of 3 months from the date of maturity. Deposits may be renewed on the basis of fresh application but solely at the discretion of the Company.
22. NO PART RENEWAL/REFUND will be permitted. No change in the order of depositors will be allowed.
23. Fixed deposits will be repaid only on maturity. However, the Company may, at its sole discretion, permit premature refund. In such cases, the rate of interest payable on such deposits will be reduced by such percentage as prescribed under the Companies (Acceptance of Deposits) Rules, 2014. Excess interest paid, if any, will be recovered from the principal amount at the time of repayment. It is clarified that no interest will be paid on premature withdrawal of deposits before a period of six months.
24. Repayment of fixed deposits will be made by account payee cheques drawn on Company's bankers and payable at per at all its branches in India. Refund cheques will be dispatched by ordinary post. However, cheques of ` 10,000/- and above will be sent by Registered Post. Where the due date for the payment falls on Sunday / Holiday, the payment will be made on the next working day.
25. In event of death of the first depositor, the repayment of deposit and payment of interest will be made to the person first in order of the heirs and/or legal representatives of the deceased.
26. In the event of death of sole depositor, the fixed deposit amount together with interest due thereon, will be paid to the nominee, if any, stated in the application, on proof of identity or to the legal representative(s) of the deceased on production of proper legal representation such as Probate of the Will, Succession Certificate or Letters of Administration granted by a Court of Competent Jurisdiction.

NOMINATION

27. Nomination facility may be availed only by individuals applying singly Minors may also be nominated. However the applicant should appoint a guardian other than himself. In the event of death of the deposit holder, the Company will deal with the guardian, till the minor attains majority. The nominee must be a Resident Indian Only. An NRI cannot be nominated. If the nominee pre-deceases the deposit holder, he applicant can, on production of death certificate, substitute the name of the nominee and guardian.
28. The company will not recognize any lien on or assignment of Unsecured Fixed Deposit and/or interest thereon.
29. The Company reserves the right, subject to the provision of the companies (Acceptance of Fixed Deposits) Rules, 2014 as amended from time to time.
 - (a) To accepted deposited only for such period as it may decided from time to time.
 - (b) To reject any application for a fresh deposit or for renewal without assigning any reason.
 - (c) To repay deposits prematurely before the due date.
30. Deposit will be subject to the Companies (Acceptance of Deposit) Rules, 2014 as amended from time to time and any other regulation prescribed by the Central Government, the Reserve Bank of India, or any other statutory authority.
31. In case Deposit is made under Power of Attorney, the relevant Power of Attorney must be lodged with the company at the time of Application.

In case of loss refund/interest cheque, duplicate will be issued only after 4 months on production of an indemnity bond duly signed by all depositors. All expenses in this connection will be borne by the depositor(s).

The block contains several handwritten signatures in black ink. From left to right, there is a signature that appears to be 'S. S. S.', followed by 'J. Jayaram', 'T. Ashwani', 'Anil Kumar', and 'F. B. Jambhwal'.

32. The Company reserves the right to commence/discontinue at any time acceptance of deposits and to alter or amend any of the terms and conditions mentioned hereinabove without assigning any reasons.

33. All complaints/ grievances may be sent to Stakeholder Relation Committee.

34. Unsecured Fixed Deposits accepted are subjected to Mumbai Jurisdiction.

g. Proposed Schedule

This Scheme is applicable on the date on which the members of the company will approve the same. The circular issued under this scheme is valid until expiry of the six months from the date of closure of Financial Year in which it is issued or until the date on which the financial statement is laid before the company in Annual General Meeting or, where the annual general meeting for any year has not been held, the latest day on which that meeting should have been held in accordance with the provision of the Act, whichever is earlier.

h. Object of raising the deposit:

To meet financial requirement for the running the business of the company.

i. Credit rating obtained:

Name of the Credit Rating Agencies Rating obtained: CRISIL LIMITED.

Rating : FA- / Stable

Meaning of the rating obtained: the degree of safety regarding timely payment of interest and principal is satisfactory. Changes in circumstances can affect such issues more than those in the higher rated categories.

Date on which rating was obtained: 09/07/2018

j. Extent of deposit insurance:

The Company will obtain cover for the unsecured deposit and interest due thereon. The deposit insurance contract shall provide in case the company defaults repayment of Principal amount and interest thereon, the depositor shall be entitled to the repayment Principal amount and interest thereon, in case of any deposit and interest not exceeding rupees Twenty Thousand, the deposit insurance contract provides for payment of the full amount of deposit and interest and in the case of any deposit and interest thereon in excess of rupees Twenty Thousand, the deposit insurance covers for payment of upto Rupees Twenty Thousand for each depositor.

The same terms and conditions including rate of interest are also applicable to Promoter Directors and key Managerial personnel.

3. DETAILS OF ANY OUTSTANDING DEPOSITS

- a. Amount Outstanding : Rs. 39,95,85,000/-
- b. Date of acceptance : Various Dates
- c. Total amount accepted : Rs. 39,95,85,000/-
- d. Rate of interest : 9%, 9.50% and 10% and 0.50% Extra for Senior Citizen, Shareholders and Employees of the Company
- e. Total number of depositors : 948
- 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 or advertisement:

Year	Profit Before Tax (Rs in Lakhs)	Profit After Tax (Rs in Lakhs)
2015-16	1531.97	1039.41
2016-17	1383.15	904.94
2017-18	1770.13	1171.17

- 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).

Year	Dividend on Equity Share	Interest Coverage Ratio
2015-16	27%	2.18
2016-17	28%	2.10
2017-18	30%	2.61

Gayatri
Anil Kumar
T. Ashok
F.B. Jambhale

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 or advertisement;

(Rs in Lakhs)			
EQUITY & LIABILITIES	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016
Equity:			
Equity Share Capital	1112.58	1112.58	1112.58
Other equity	9439.62	8727.68	7902.47
Non-Current Liabilities:			
Financial Liabilities			
(i) Borrowings	6216.73	1792.91	1836.84
(ii) Other Financial Liabilities	-		
Provisions	-		
Deferred Tax Liabilities (net)	610.66	474.62	528.53
Other Non- Current Liabilities	30.18	33.89	
Current Liabilities:			
Financial Liabilities			
(i) Borrowings	10048.72	8057.91	7142.87
(ii) Trade Payables	1042.55	464.44	759.13
(iii) Other Financial Liabilities	842.70	733.16	778.28
Other Current Liabilities	170.24	161.44	56.23
Provisions	23.91		
TOTAL EQUITY AND LIABILITIES	29537.91	21558.63	20116.93

(Rs in Lakhs)			
ASSETS	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016
Non Current Assets:			
Property, Plant and Equipment	10562.70	6615.07	6842.14
Capital Work-in-Progress	832.44	-	-
Intangible assets	75.96	25.30	35.28
Intangible Assets Under Development	20.00	-	-
Other Non - Current Assets	74.44	57.23	64.23
Current Assets:			
Inventories	4994.82	6285.50	5125.60
Financial Assets			
(i) Investments	0.04	0.04	0.04
(ii) Trade Receivables	9373.66	7425.22	7113.33
(iii) Cash and Cash Equivalents	425.98	216.41	182.85
(iv) Bank Balance Other Than Cash & Cash Equivalents	25.83	20.55	11.71
(v) Loans	49.54	44.96	40.35
(vi) Other Current Financial Assets	112.08	142.22	-
Current Tax Assets (Net)	67.49	85.72	134.64
Other Current Assets	2922.93	640.41	566.76
TOTAL ASSETS	29537.91	21558.63	20116.93

Note:

(Rs in Lakhs)			
Brief particulars of Contingent Liabilities	As at 31.03.18	As at 31.03.17	As at 31.03.16
DEPB Entitlement Refund Claim by DGFT	81.18	81.18	81.18

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

(Rs in Lakhs)			
Particulars	2018	2017	2016
Cash From Operating Activities	1603.71	1278.23	5365.77
Cash Flow From Investing Activities	(6773.04)	(957.61)	(666.26)
Cash Flow From Financing Activities	5378.90	(287.05)	(4661.45)

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

[Signatures]

Gayatri
Z. Ashwari

Anil Kumar
F.B. Jambharkar

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 there on;
- 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 or advertisement;
- c. the company has complied with the provisions of the Act and the rules made there under;
- d. the compliance with the Act and the rules does not imply that repayment of deposits is guaranteed by the Central Government;
- e. the deposits accepted by the company before the commencement of the Act have been repaid (or will be repaid along with interest as per due dates 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 or circular in the form of advertisement; 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.
- h. It is to be distinctly understood that filing of circular or 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 depositors should exercise due diligence before investing in the deposits schemes.

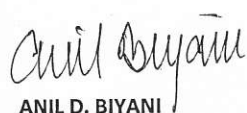
This Circular is issued on the authority and in the name of the Board of Directors of the Company, the text hereof has been approved by the Board of Directors at its meeting held on 28th July, 2018, and a copy thereof, signed by a majority of the Directors of the Company, has been filed with the Registrar of Companies, Maharashtra.

For DAMODAR INDUSTRIES LIMITED

Dated: 28.07.2018
Place: Mumbai


ARUNKUMAR BIYANI
(Chairman)


AJAY D. BIYANI
(Managing Director)


ANIL D. BIYANI
(Wholetime Director)


GIRDHARLAL S. DAGA
(Director)


Ashok Kumar Damani
(Director)

RAGHAVAN SRINIVAS
(Director)


FARIDA BOMI JAMBUSARWALLA
(Director)