



KEI INDUSTRIES LIMITED

**Regd. Office: D-90, Okhla Industrial Area, Phase – 1 New Delhi – 110020.
CIN : L74899DL1992PLC051527. Tel.: +91-11-26818840, 26818642,
Fax: +91-11-26811959, 26817225 Website: www.kei-ind.com**

Dear Member,

Pursuant to the provisions of the Companies Act, 1956, your Company, KEI Industries Limited, was accepting deposits from Public and Members of the Company since a very long time. Now, pursuant to the provisions of the Companies Act, 2013 a circular in the Form DPT-1 needs to be circulated with all Members of the Company, to invite/accept/renew/deposits from Members of the Company. Attached herewith is the Circular for Inviting Deposits for your perusal.

**For and on behalf of Board of Directors
M/s KEI Industries Limited**

**Date: 24th November, 2014
Place: New Delhi**


**(Kishore Kunal)
Company Secretary**

FORM DPT-1
CIRCULAR OR CIRCULAR IN THE FORM OF ADVERTISEMENT
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]

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

1. GENERAL INFORMATION				
a.	Name of the Company		KEI INDUSTRIES LIMITED (CIN:L74899DL1992PLC051527)	
	Address		D-90, Okhla Industrial Area, Phase-1, New Delhi-110020	
	Website		www.kei-ind.com	
	Contact details		Tel.: +91-11-26818840, 26818642 Fax: +91-11-26811959, 26817225	
b.	Date of incorporation of the Company		31 st December, 1992	
c.	Business carried on by the Company and its subsidiaries with the details of branches or units, if any		<p>The Company carries on the business of manufacturing of EHV / HT & LT Power, Control & Instrumentation Cables, House Wire, Winding Wire, Flexible Wire and Stainless Steel Wires. The Company has its factory located:</p> <p>Unit-I: at SP-919, 920 & 922, RIICO Industrial Area, Phase- III, Bhiwadi, (Rajasthan)- 301 019</p> <p>Unit-II: at 99/2/7, Madhuban Industrial Estate, Rakholi Silvassa (D& H)-396 240</p> <p>Unit-III: Plot No. A-280-284, RIICO Industrial Area, Chopanki, Dist. Alwar (Rajasthan)-301 019.</p> <p>The Company has its Regional and Marketing offices at Mumbai, Kolkata, Chennai, Bangaluru, Pune, Baroda Chandigarh etc and Overseas office at Dubai and Singapore.</p>	
d.	Brief Particulars of the Management of the Company		The Company is managed by the Chairman-cum-Managing Director under supervision, directions and control of the Board of Directors.	
e.	Name, addresses, DIN and occupation of the Directors			
	Name	Address	DIN	Occupation
1	Mr. Anil Gupta (Chairman-cum-Managing Director)	N-2, Kailash Colony, New Delhi-110048	00006422	Industrialist
2	Mr. Pawan Kumar Bholusaria (Independent, Non- Executive)	26/11, Shakti Nagar, New Delhi - 110007	00092492	Chartered Accountant
3	Mr. Kishan Gopal Somani (Independent, Non- Executive)	163, Tagore Park, New Delhi - 110009	00014648	Chartered Accountant
4	Mr. Vijay Bhushan (Independent, Non- Executive)	B - 5, Swasthya Vihar, New Delhi - 110092	00002421	Business
5	Mr. Vikram Bhartia (Independent, Non- Executive)	271/2, Forest Lane, Neb Sarai Extn. New Delhi-110068	00013654	Business
6	Mrs. Archana Gupta (Non-Independent, Non-Executive)	N-2 Kailash Colony, New Delhi - 110048	00006459	Business

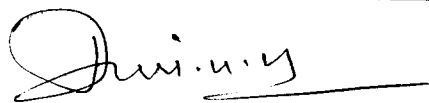
7	Mr. Rajeev Gupta (Non-Independent, Executive)	D-269, Anand Vihar, Delhi- 110092	00128865	Service
f.	Management's perception of risk factors	<p>KEI Industries Limited is reputed name in the Cables & Wires Industry and carrying on its business since 1968 (formerly known as "Krishna Electricals Industries"). The Company is Listed at BSE, NSE, CSE and overseas at Luxembourg Stock Exchange. The Company has adequate surplus for timely repayment of fixed deposits.</p> <p>As per section 73(2)(c) of the Companies Act, 2013, the Company has deposited 15% of the amount of deposits maturing during current and next following financial year (i.e. 2015 & 2016) in a separate deposit repayment reserve account in the Bank which ensure less risk factors.</p> <p>However, due to slow down in demand, government policies, international economic conditions or occurrence of any force majeure, Company's cash flows may get impacted.</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	N.A		
ii.	Loan from any bank or financial institution and interest thereon.	NIL		
2.	PARTICULARS OF THE DEPOSIT SCHEME			
a.	Date of passing of Board resolution	24 th November, 2014		
b.	Date of passing of resolution in the general meeting authorizing the invitation of such deposits	19 th September, 2014		
c.	Type of deposits, i.e., whether secured or unsecured	Unsecured		
d.	Amount which the company can raise by way of deposits as per the Act and the rules made thereunder	From Shareholders: ₹ 2,686.58 Lacs From Others: ₹ 6,716.45 Lacs		
	Aggregate of deposits actually held on the last day of the immediately preceding financial year	₹ 424.85 Lacs (as on 31 st March, 2014)		
	Aggregate of deposits actually held as on date of issue of circular or advertisement	₹ 300.95 Lacs (As on 24 th November, 2014)		
	Amount of deposit proposed to be raised	₹ 500.00 Lacs		
	Amount of deposit repayable within the next twelve months	₹ 60.35 Lacs to be repaid till 31 st March, 2015		
e.	Terms of raising of deposits: Duration, Rate of interest, Mode of payment and repayment			
SCHEME – I: FIXED DEPOSIT SCHEME				
Duration		Rate of Interest (P.A)	Mode of Payment	Mode of Repayment
1 Year / 2 Years / 3 Years		11.00%	Cheque	Cheque

f.	Proposed time schedule mentioning the date of opening of the Scheme and the time period for which the circular or advertisement is valid	
	Date of opening of the Scheme	25 th November, 2014
	Time period for which the circular or advertisement is valid	till 30 th September, 2015
g.	Reasons or objects of raising the deposits	For meeting short term / working capital requirement of the Company.
h.	Credit rating obtained	
	Name of the Credit Rating Agency	Credit Rating Analysis & Research Limited
	Rating Obtained	CARE BBB (FD) [Triple B (Fixed Deposits)]
	Meaning of the rating obtained	Instrument with this rating are considered to have moderate degree of safety regarding timely servicing of financial obligations. Such instruments carry moderate credit risk.
	Date on which rating was obtained	17 th November, 2014
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	N.A
j.	Short particulars of the charge created or to be created for securing such deposits, if any	N.A
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	Directors and their Relatives have invested in the Deposit Scheme of the Company, however their interest is at par and rank pari passu with the interest of other Depositors of the Company.
3.	DETAILS OF ANY OUTSTANDING DEPOSITS	
a.	Amount Outstanding	N.A
b.	Date of acceptance	
c.	Total amount accepted	
d.	Rate of Interest	
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	

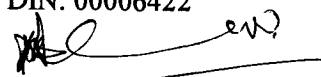
	duration of default involved		
g.	Any waiver by the depositors, of interest accrued on deposits		
4.	FINANCIAL POSITION OF THE COMPANY		
a.	Profits of the Company, before and after making provision for tax, for the three financial years immediately preceding the date of issue of circular or advertisement		
(₹ in lacs)			
Particulars	Year ended 31.03.2014	Year ended 31.03.2013	Year ended 31.03.2012
Profit/(Loss) Before Tax	2,181.64	4,307.61	3,599.72
Profit/(Loss) After Tax	1,160.08	2,633.70	2,432.88
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)		
(₹ in lacs)			
Particulars	Year ended 31.03.2014	Year ended 31.03.2013	Year ended 31.03.2012
Dividend Declared	154.48	140.47	133.87
Interest coverage ratio	1.20	1.39	1.37
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		
(₹ in lacs)			
LIABILITIES	As at 31.03.2014	As at 31.03.2013	As at 31.03.2012
Shareholder's Fund	1,474.75	1,404.75	1,338.75
Reserves and Surplus	25,391.06	24,152.22	21,267.10
Money received against Share Warrants	442.50	-	-
Non Current Liabilities	13,493.72	11,614.67	13,251.23
Current Liabilities	83,549.59	80,543.54	83,534.46
TOTAL	1,24,351.62	1,17,715.18	1,19,391.54
ASSETS			
Non Current Assets:			
Fixed Assets	31,431.59	31,146.80	31,831.20
Non-Current Investment	309.17	308.17	308.17
Long Term Loans and Advances	339.88	527.34	342.09
Other Non-Current Assets	-	-	20.74
Current Assets	92,270.98	85,732.87	86,889.34
TOTAL	1,24,351.62	1,17,715.18	1,19,391.54
d.	Audited Cash Flow Statement for the three years immediately preceding the date of issue of circular or advertisement		
(₹ in lacs)			
	As at 31.03.2014	As at 31.03.2013	As at 31.03.2012
(A) CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit before tax and Extraordinary items	2,181.64	4,307.61	3,599.72
Adjustments for :			
Depreciation	2,097.35	2,044.48	1,954.49
Dividend received	(3.90)	(2.91)	(2.38)
(Profit)/Loss on Investment	(1.00)	-	-

Financial Charges	11,153.06	10,935.37	9,616.23
Provision for leave encashment/ Gratuity	82.97	97.59	76.53
FCMITDA Written Off / (Back)	424.24	213.14	158.03
Exchange fluctuation on FCCBs on Non-Depreciable Items	-	-	107.41
Fixed Assets written off	50.92	17.93	21.55
Loss on sale of Assets	20.80	21.73	13.15
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	16,006.08	17,634.94	15,544.73
Adjustments for :			
Trade & Other Receivables	(3,220.91)	8,892.90	(25,639.02)
Inventories	(4,498.46)	(6,591.18)	(997.85)
Trade & Other Payables	606.76	(4,106.72)	14,827.02
Cash Generated from operations	8,893.47	15,829.94	3,734.88
Direct Taxes paid	(545.94)	(903.74)	(510.52)
Cash flow before Extraordinary items	8,347.53	14,926.20	3,224.36
Extraordinary Items	-	-	-
Net Cash from operating activities	8,347.53	14,926.20	3,224.36
(B) CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Fixed Assets and other capital expenditure	(2,201.39)	(1,514.46)	(1,464.10)
Sale of Fixed Assets	9.71	8.03	13.74
Dividend Received	3.90	2.91	2.38
Net Cash from investing activities	(2,187.78)	(1,503.52)	(1,447.98)
(C) CASH FLOW FROM FINANCIAL ACTIVITIES			
Long term borrowings	(1,110.05)	(1,215.91)	4,843.85
Finance lease liabilities (Net)	40.41	(39.28)	(4.27)
Inter corporate & other deposits (Net of repayments)	116.90	39.20	(51.49)
Working capital facilities from banks	4,071.37	(584.40)	14,973.12
Issue of Equity Share Capital	490.00	594.00	-
Money Received Against Share Warrants	442.50	-	(12,572.68)
Financial Charges	(11,153.06)	(10,935.37)	(9,616.23)
Dividend paid	(140.47)	(133.87)	(133.87)
Tax on Dividend	(23.87)	(21.72)	(21.72)
Net Cash from Financing Activities	(7,266.27)	(12,297.35)	(2,583.29)
Net Change In Cash And Cash Equivalents (A+B+C)	(1,106.52)	1,125.33	(806.91)
Cash & Cash Equivalents as at 1st April (Opening Balance)	1,562.21	436.88	1,243.79
Cash & Cash Equivalents as at	455.69	1,562.21	436.88

31st March (Closing Balance)		
e.	Any change in accounting policies during the last three years and their effect on the profits and the reserves of the Company	No Change
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 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 thereunder;	
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 within one year from the commencement of Companies Act, 2013 (i.e.31.03.2015) or the date on which such payments are due, whichever is earlier 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;	
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.	




(Anil Gupta)
Chairman-cum-Managing Director
DIN: 00006422



(Vikram Bhartia)
Director
DIN: 00013654



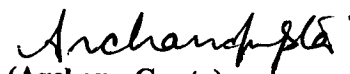
(Vijay Bhushan)
Director
DIN: 00002421


(Rajeev Gupta)
Executive Director (Finance)
DIN: 00128865

Place: New Delhi
Date: 24th November, 2014



(Pawan Kumar Bholusaria)
Director
DIN: 00092492



(Archana Gupta)
Director
DIN:00006459



(Kishan Gopal Somani)
Director
DIN: 00014648