

Hare Krishna

Dear Shareholders,

Please find enclosed D.P.T – I circular for invitation of Fixed Deposits as required in terms of Acceptance of Deposits Rules, 2014 for your information.

Yours Faithfully,

For **Thangamayil Jewellery Limited**

-Sd-

(CS.V. Vijayaraghavan)

Company Secretary

Place: Madurai

Date: 29th June, 2020



THANGAMAYIL JEWELLERY LIMITED

Registered Office No. 124, Nethaji Road, Madurai – 625001.

Corporate Office No. 25/6, Palami Centre, New Natham Road, Madurai – 625014.

**ACCEPTANCE AND RENEWAL OF TERM/CUMULATIVE DEPOSITS - DPT-1
(Circular)**

Advertisement pursuant to *section 73 and section 76 of the Companies Act, 2013 and rule 4(1) and 4(2) of the Companies (Acceptance of Deposits) Rules, 2014*

Deposits are acceptable / renewable in multiples of Rs. 1,000, - Subject to the minimum of Rs. 10,000

SCHEME A – TERM DEPOSIT			
Period of Deposits	Minimum amount of Deposit	Rate of Interest per annum	Frequency of Payment of Interest
12 Months	10,000	7.00%	Monthly
24 Months	10,000	7.50%	Monthly
36 Months	10,000	8.00%	Monthly
SCHEME B – CUMULATIVE DEPOSIT			
Period of Deposits	Minimum amount of Deposit	Amount payable on maturity	Maturity amount for every additional of Rs. 1000
12 Months	10,000	10719/-	1,072/-
24 Months	10,000	11602/-	1,160/-
36 Months	10,000	12682/-	1,268/-

- The amount payable on maturity under this scheme (Scheme B) has been arrived at by compounding interest every quarterly basis.
- The amount payable on maturity would stand reduced in the event of Income Tax Deducted at Source.
- Interest will accrue on the date of realization of cheque/draft. Interest will cease on the date of maturity of deposits.
- The Acceptance of deposit is subject to the rules and regulations as indicated in the statement accompanying the form of application of deposit which can be received from our office at the above corporate office address.

1. PARTICULARS OF THE COMPANY AS PER THE COMPANIES (ACCEPTANCE OF DEPOSITS) RULES 2014 ARE FURNISHED BELOW:

- b) Name : **Thangamayil Jewellery Limited**
 Address : **No. 124 Nethaji Road, Madurai,**
 Website : **www.thangamayil.com**
- c) Date of incorporation of the company : **24.03.2000**
- d) Business carried on by the company : **The Company is engaged in Manufacturing and Trading of Gold Jewellery, Silver Articles, Diamond and Precious Stones.**
- And its subsidiaries : **The company has No Subsidiaries**
- Details of branches or units:**

1. Madurai	11. Aruppukottai	21. Ottanchatram	31. Virudhunagar	41. Vedasandur
2. Rajapalayam	12. Salem	22. Tirunelveli	32. Thiruppuvanam	42. Periyakulam
3. Karaikudi	13. Thenkasi	23. Kovilpatti	33. Batlagundu	43. Manamadurai
4. Ramnad	14. Palani	24. Udumpalpet	34. Thisayanvilai	44. Ilayankudi
5. Dindigul	15. Coimbatore	25. Tirppur	35. Pollachi	45. Kayalpatnam
6. Theni	16. Tharapuram	26. Sivagangai	36. Devakottai	46. Bodi
7. Sivakasi	17. Valliyoor	27. Gopichettipalayam	37. Usilampatti	47. Kilakarai
8. Tuticorin	18. Krishnagiri	28. Sangarankovil	38. Sattur	
9. Annanagar	19. Namakkal	29. Eral	39. Vadipatti	
10. Cumbum	20. Dharmapuri	30. Villupuram	40. Natham	

Brief particulars of the management of the Company: **The Company is managed by the Managing Director and Joint Managing Directors subject to the direction and supervision of the Board of Directors.**

Names, addresses, DIN and occupations of the directors;

S.No.	Name	Address	DIN	Occupation
1	Shri.Balarama Govinda Das - Managing Director	No.1/1A-1, Brindavan, Near Yadava Gents College, Tiruppalai, Madurai - 625014.	00266424	Company Director
2	Shri. Ba.Ramesh - Joint Managing Director	No.1/1A-2, Brindavan, Near Yadava Gents College, Tiruppalai, Madurai - 625014.	00266368	Company Director
3	Shri N.B. Kumar - Joint Managing Director	No.1/1A-3, Brindavan, Near Yadava Gents College, Tiruppalai, Madurai - 625014.	01511576	Company Director
4	Shri. S. Rethinavelu - Independent Director	Arokya Building, 4/9, Kambur Street, S.S. Colony Madurai	00935338	Business
5	Shri Laji Vora - Independent Director	Milan, Amman Sanathi, Madurai	01899070	Business
6	Shri. V.R. Muthu - Independent Director	No. 443, Bazaar, Virudhunagar	01908841	Business
7	Shri. V. Ramasamy -Independent Director	F-185/F-3, Dilshad Colony, Delhi – 110095	00039262	Professional
8	Shri . S.M.Chandrasekaran – Independent Director	No.213, Naicker street (Upstairs), Madurai - 625001	0008719332	Professional
9	Smt.Yamuna Vasini Deva Dasi Non Executive Director	No.1/1A-1, Brindavan, Near Yadava Gents College, Tiruppalai, Madurai - 625014.	01388187	Company Director

Management's perception of risk factors; -

- The company is operating in a Competitive environment both in organized/unorganized sectors of the industry.
- Gold price volatility and its adverse impact on margins
- Limitations in the industry due to taste and fashion preferences in different regions.

Details of default, including the amount involved, duration of default and present status, in repayment of – Statutory dues; - **NIL**

Debentures and interest thereon; - **NA**

Loan from any bank or financial institution and interest thereon. - **NIL**

2. PARTICULARS OF THE DEPOSIT SCHEME:

- a) Date of passing of Board Resolution : 29.06.2020
- b) Date of passing of resolution in the general meeting authorizing the invitation of such deposits : 21.09.2020
- c) Type of deposits(Secured/Unsecured) : Unsecured
- d) Amount which the company can raise by way of deposits as per the Act and the rules made thereunder :As at 31-03-2020
- FROM PUBLIC: 25% of the aggregate of the paid up capital and free reserves :Rs.5503.50 Lakhs
 - FROM SHAREHOLDERS: 10% of the aggregate of the paid-up capital and free reserves as against unsecured debentures or any deposit from its share holders or any deposits guaranteed by any director :Rs.2201.40 Lakhs
 - Amount of deposits proposed to be raised :Rs.7704.90 Lakhs
 - Aggregate of deposits actually held on 31/03/2020 : Rs.5215.90 Lakhs
 - Amount of deposit repayable within the next twelve months: : Rs.983.93 Lakhs
- e) Terms of raising the deposits: Duration, Rate of Interest, Mode of Payment and repayment.
- The deposits are proposed to be accepted for a term not exceeding 36 months from date of deposit.
 - Rate of Interest – 1 Year – 7.00% , 2 Years – 7.50%, 3 Years – 8.00%
 - Deposits would be accepted by A/C Payee Cheque, or Demand Draft and repaid in similar manner and also direct credit in Sole/First – named depositor’s bank account though NEFT/RTGS.
- f) Proposed time schedule mentioning the date of opening of the Scheme - 21st September, 2020
And the time period for which the circular or advertisement is valid; - 30th September 2021
- g) Reasons or objects of raising the deposits; **To facilitate Working Capital requirements of the company**
- h) **Credit rating obtained;**
- Name of the Credit Rating Agencies : ICRA Limited
 - Rating obtained : MA- (Stable)
 - Meaning of the rating obtained : Stable Rating
 - Date on which rating was obtained : 30th August 2019
- i) **Extent of deposit insurance;**
- Name of the Insurance Company: - Not Applicable
 - Terms of the insurance coverage: - Not Applicable
 - Duration of coverage: - Not Applicable
 - Extent of coverage,: - Not Applicable
 - 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;- **Since Unsecured Deposits - 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**

3. DETAILS OF ANY OUTSTANDING DEPOSITS :

- a. Amount outstanding as on 31st March 2020 - Rs. 5215.90 Lakhs
- b. Date of Acceptance - 01.08.2019
- c. Total Amount accepted during the year - Rs. 2681.41 Lakhs
- d. Rate of Interest (Per Annum) during the year - {1 Year 8.50% {2 Years 9.00%} {3 Years 9.50%}
- e. Total No. of Depositors - 1227
- 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 and dividends declared by the company.

Financial Year End	Rs. in Lakhs	
	Profit Before Tax	Profit After Tax
31 st March 2020	6941.55	4565.59
31 st March 2019	4553.94	3025.59
31 st March 2018	3393.70	2287.26

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)

Financial Year End	Dividend	Dividend Amount (Rs. in Lakhs)	Interest Coverage Ratio
31 st March 2020	Interim Dividend 50%(to be recommended as Final Dividend by the Board)	685.98	4.28 times
31 st March 2019	50%	685.98	3.24 times
31 st March 2018	35%	480.19	2.81 times

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;

Liabilities	As at March			Assets	As at March		
	2020	2019	2018		2020	2019	2018
Share Capital	1,371.96	1,371.96	1,371.96	Fixed Assets	7,310.42	7,212.88	7,506.92
Reserves & Surplus	20,642.92	17,946.74	15,500.68	Current Assets, Loans & Advance	64,180.02	58,035.53	53,552.67
Secured Loans	20,676.11	18,202.66	21,790.06	Deferred Tax Assets	39.05	-	-
Unsecured Loans	6,597.51	4,662.31	6,458.53				
Deferred Tax Liabilities	-	106.61	158.90				
Current Liabilities and Provisions	22,240.99	22,958.13	15,779.46				
Total	71,529.49	65,248.41	61,059.59	Total	71,529.49	65,248.41	61,059.59

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

Particulars	For the year ended (Rs. in Lakhs)		
	31 st March 2020	31 st March 2019	31 st March 2018
Cash flow from operating activities			
Net profit before tax	6941.55	3,393.70	1,930.22
Adjustments for :			
Depreciation and amortization expenses	1018.51	816.52	943.38
Profit on sale of Property, plant & equipment	(0.90)	(1.26)	(7.66)
Interest income	(281.57)	(130.73)	(92.23)
Interest expense	2115.19	1,879.48	2,083.96
Impairment of assets	11.04	47.15	21.32
Operating profit before working capital changes	9803.82	7,092.68	6,004.86
Movements in working capital:			
(Increase) / Decrease in inventories	(5989.07)	(2,814.34)	(16,389.32)
(Increase) / Decrease in trade receivables	203.03	(86.55)	(45.08)
Decrease/ (Increase) in Other financials and non financial assets	(2140.68)	(213.88)	17.31
(Decrease)/ Increase in trade payable and other financial and non financial liabilities	(5769.03)	5,424.72	5,811.33
Cash Generated from Operations	(3891.93)	9,402.63	(4,626.27)
Income taxes paid	(1737.40)	(932.22)	(652.04)
Net cash generated from operating activities (A)	(5629.34)	8,470.41	(5,278.31)
Cash flow from investing activities			
Payment for Property, Plant & Equipment ,Intangible assets including capital Advances	(866.91)	(498.05)	(392.64)
Proceeds from sale of Property, plant & equipment	8.09	25.20	7.92
Bank deposits not considered as cash and cash equivalents (net)	1370.44	(1,490.51)	(342.27)
Interest received	281.57	261.83	130.73
Net cash used in investing activities (B)	793.19	(1,701.53)	(2,673.18)

Cash flow from financing activities			
Proceeds / (Repayment) of borrowings	6484.21	(4,425.75)	9,628.18
Proceeds / (Repayment) of Other borrowings	1687.20	796.08	(36.45)
Repayment of Lease Liabilities	(388.54)	-	-
Interest paid	(1988.24)	(2,033.67)	(1,879.48)
Dividend paid (including corporate dividend tax)	(1654.00)	(578.91)	(335.39)
Net cash used in financing activities (C)	4140.63	(6,242.25)	7,376.86
Net increase in cash and cash equivalents(A+B+C)	(695.51)	526.63	(574.63)
Cash and cash equivalents - opening balances	894.32	367.69	942.33
Cash and cash equivalents at the end of the year	198.81	894.32	367.69
Components of cash and cash equivalents			
Cash on hand	117.86	694.71	298.49
Balance with Banks on Current Accounts	80.95	199.62	69.21
Total cash and cash equivalents	198.81	894.32	367.69

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

5. The Company hereby declare that :

- a) The company has not defaulted in the repayment of deposits accepted either before or after 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 will be repaid along with interest within due date in accordance with Rule 19 of Acceptance of Deposit Rules, 2014.
- 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 are unsecured and rank pari passu with other unsecured liabilities of the company.

The text of this advertisement has been approved by the Board of Directors at their meeting held on **29.06.2020**. This advertisement is issued on the authority and in the name of Board of Directors of the Company.

For Thangamayil Jewellery Limited

-SD-

Balarama Govinda Das

Managing Director

Place: Madurai

Date: 29.06.2020