



KAMDHENU VENTURES LIMITED
Regd. Off. : 2nd Floor, Building No. 9A, DLF Cyber City,
Phase-III, Gurugram, Haryana - 122002 (India)

Ref: KVL/SEC/2023-24/45

Date: 31st July, 2023

To,
The Manager- Listing
National Stock Exchange of India Limited,
Exchange Plaza, BandraKurla Complex,
Bandra (E), Mumbai-400 051

To,
The Manager- Listing
BSE Limited,
PhirozeJeejeebhoy Towers,
Dalal Street, Mumbai- 400 001

NSE Symbol: KAMOPAINTS

BSE Scrip Code: 543747

Subject: Submission of the Annual Report for the financial year 2022-23 along with Notice of 4th Annual General Meeting of Kamdhenu Ventures Limited.

Dear Sir/ Madam,

In furtherance to our earlier letter dated 25th July, 2023 and in compliance with the Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report of the Company for the financial year 2022-23 along with the Notice of the 4th Annual General Meeting of the Company scheduled to be held on Wednesday, 23rd August, 2023 at 04:00 P.M. (IST) through Video Conferencing/ Other Audio Visual Means.

The Annual Report of the Company is also available on the website of the Company at :
<https://kamdhenupaints.com/pdf/annualreport-2022-2023.pdf>

We request you to kindly take the same on records.

Thanking you,
Yours faithfully,

For Kamdhenu Ventures Limited

Nitin Misra
Company Secretary & Compliance Officer

Encl: as above.

KAMDHENU VENTURES LIMITED

ANNUAL REPORT | 2022-23



COLOURED IN
INSPIRATION.

NURTURED BY
LEGACY.

What's Inside

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For more investor-related information,
please visit

<https://kamdhenupaints.com/annual-results>

To view or download this report online,
scan the QR code



01-31

32-102

103-197

Investor Information

Market Cap as of 31st March, 2023

₹ 552 Crores

CIN

L51909HR2019PLC089207

BSE Code

543747

NSE Symbol

KAMOPAINTS

ISIN

INE0BT101029

AGM Mode

Video Conference/OAVM

Disclaimer

This document contains statements about expected future events and financials of Kamdhenu Ventures Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.



Coloured in Inspiration. Nurtured by Legacy.

Kamdhenu Colour and Coatings Limited (KCCL) stands tall as a symbol of creativity, innovation, and excellence in the paint industry. Our commitment is to ignite inspiration and transform lives through exceptional products. With a vast array of influences, we pioneer new possibilities, crafting paints that captivate the senses and shape remarkable spaces.

At the heart of our creative process lies the desire to spark inspiration and evoke deep emotions. Drawing from diverse sources such as nature's vibrant hues and the wonders of art and culture, we harness these influences to create paints that breathe life into walls, surfaces, and beyond. With each stroke, we ignite the imagination, kindle joy, and leave a lasting impression.

Together, these inspirations form our rock-solid foundation, rooted in a rich legacy. Our legacy serves as a guiding light, empowering us to innovate and make a lasting impact. We seamlessly blend tradition with modernity, utilizing the strengths of our legacy to shape fresh ideas and create remarkable paint experiences. With a dedication to excellence, we strive to foster creativity and innovation, building a future that is coloured by inspiration and nurtured by legacy.

Strategic Demerger and Listing

Building Momentum with Strategic Demerger and Listing at Stock Exchanges

At Kamdhenu, we have undergone a transformative journey from being just another player in the industry to becoming one of the leading brands in the market. We scripted a journey of dynamic progress, with each achievement propelling us to scale greater heights. We have undergone a strategic demerger to focus our efforts solely on our paint business. By concentrating our resources and expertise, we aim to deliver unparalleled solutions to our customers, raising the bar for the industry. The Company got listed at NSE and BSE on 24th January, 2023.



BENEFITS OF THE DEMERGER

Improving operational flexibility and management concentration

Enabling businesses to pursue their growth strategies independently, using organic or inorganic methods

Enhancing prospects for both businesses to raise the required funds, invite strategic investors, and hire specialized labor, among others, creating a platform to pursue the next stage of growth

Facilitating the continued expansion and growth of the individual companies, while stabilizing and strengthening businesses of both the companies

Ensuring optimal resource use, achieving administrative convenience, and producing significant operational efficiencies

Maximizing shareholder value, providing shareholders the chance to invest in us based on their risk-reward profile



Kamdhenu Paints at a Glance

Enabling Growth with Focused Approach

Color your world with our vibrant paints and transform
your wall into a masterpiece.



WHO WE ARE

Kamdhenu Paints, established in 2008, is a leading brand in Indian decorative paints segment. We take pride in contributing significantly to the success and growth of our flagship company Kamdhenu Limited, a prominent conglomerate.

We leverage our ability to infuse creativity and artistry into our paints. This enables us to deliver not only high-

quality coatings but also aesthetically pleasing and visually stunning finishes to our customers.

With an unwavering focus on quality and innovation, we strive to exceed our customers' expectations and continue to set the standard for excellence in the Indian decorative paints segment.



WHAT WE DO

Kamdhenu Paints is committed to providing a comprehensive range of high-quality paint products that meet the diverse needs of our customers. Our product range includes a wide selection of exterior & interior emulsions, water-based primers, wood finishes, textured & designer paints, and construction chemicals. By offering such an extensive range of products, we aim to position Kamdhenu as a one-stop-shop for all of our customers' construction needs. Our products are widely available across India, allowing us to reach and serve customers in every corner of the country.

The Kamdhenu brand is synonymous with products that uphold the highest standards of quality and ensure complete customer satisfaction. We achieve this through the use of modern automation methods and technology, backed by our robust research and development facilities.

HOW WE DO

At Kamdhenu Paints, we are proud to lead the way in promoting eco-friendly practices in the paint industry. We are constantly striving to find new and innovative ways to reduce our impact on the environment. To remain true to our commitment to sustainability, we have developed water-based paints that are environment-friendly and low in Volatile Organic Compound (VOC). We deploy highly accurate machinery in our production process, which is inspired by our state-of-the-art manufacturing capabilities.



OUR VISION

To be established as the leading manufacturer and supplier of Paint products with following global best governance practises and our founding philosophy as the corner stone

OUR PHILOSOPHY

Success is a never-ending quest. Every accomplishment leading to new milestones.

Every organization, which sets its eyes on growing big has to consistently abide by a definite set of work ethics to raise its credibility in the market. That's why, we also believe in upholding a set of standards and do so in each and every area of our operations.



Honesty



Transparency



Commitment



Quality Assurance



Customer Satisfaction

COMPANY SNAPSHOT

40+

SKUs Offered

33

Sales Depots

~4,000+

Dealer Network

20,000+

Registered Painters

10+

Product Categories

5,000+

Painters Actively Procuring from Us

6x

Revenue Growth from FY 2008-09 to FY 2022-23

86,000 KL P.A.

Total Production Capacity

Product Suite

Delivering Excellence with Creative Solutions

At Kamdhenu Paints, we are committed to providing our customers with the highest-quality decorative paint solutions to help them achieve the beautifully designed interior of their dreams.

Premium Exterior Emulsions



Weather Classic Advance



Weather Supreme Advance



Weather Classic Max



Weather Classic

Premium Interior Emulsions



Kamo Hi-Sheen



Velvety



Sheen n Shine



Kamorich

Premium Dual Emulsion



Kamodual Luxury



Kamodual Premium



Kamodual Gold



Economic Emulsions



Kamo Shield Exterior



Kamostar Exterior



Kamosilky Interior



Kamostar Interior

Under Coats



Kamo Damp Proof



Exterior Primer



Interior Primer



Dual Primer

Putty



Kamoguard Acrylic Putty



Kamostar Water Proof Putty



Kamocare Putty



Kamoplast Putty

Specialized Coatings



Kamo Glitter



Colorant



Stainers



Floor Coat

Construction Chemicals



Kamocrete CRP



Kamoproof ALW



Kamofin 2K



Kamo Shora Seal

Wood Coatings



Kamwood Melamyne



Kamwood PU



Kamwood NC Sanding Sealer



Kamoclear Lacquer



Kamothin Thinner

Focus on Premiumization of Portfolio

Our primary objective has been to build a strong rapport and foster loyalty among our network of dealers and painters. We achieved this by providing them with cost-effective alternatives, such as powder-based paints, putty, and distempers.

Once we achieved rapid growth, established a solid foundation, and strengthened our relationships with dealers, our brand made the decision to prioritize premium offerings. As we shifted our focus towards collaborating with premium dealers, the number of low-priced dealers gradually declined.

We have renewed our perspective, low-priced products, and started to focus on premium products. We implemented innovative ideas such as designer galleries, rewarding schemes and incentives. To provide our customers with the best-in-class products, we have launched a refreshed branding and advertising campaign.

43%

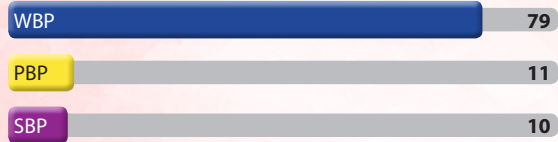
Share of Revenue from Premium Products



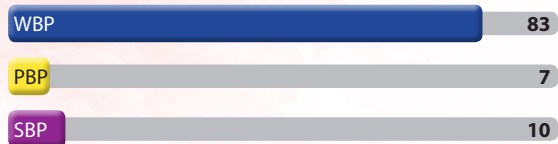
Revenue Breakup

(%)

FY 2021-22



FY 2022-23



- WBP : Water Based Paints
- PBP : Powder Based Paints
- SBP : Solvent Based Paints

Average Selling Price per KG/Ltr

FY 2021-22 76

FY 2022-23 79

Presence and Distribution strength

Expanding Presence with Robust Footprint

Today, ~70% of India's urban population resides in Tier-II & Tier-III cities, where majority of our customer base is present. We are further strengthening our visibility in Tier-I, II & III cities through 33 sales depots.



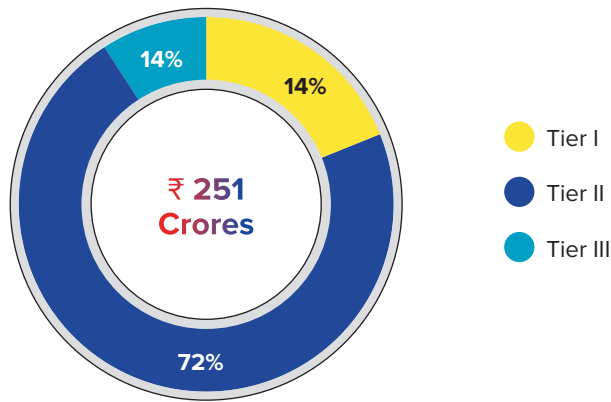
Disclaimer: This map is a generalised illustration only for the ease of the reader to understand the locations, and it is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. The Company or any of its directors, officers or employees, cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any kind of connection to its accuracy or completeness.



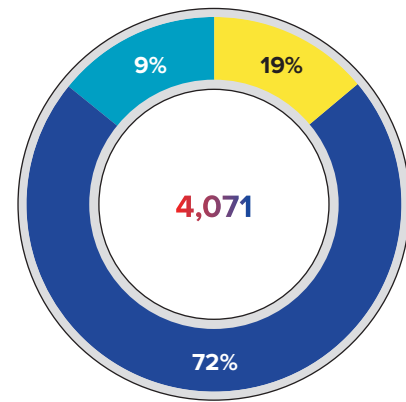
HOW DO WE BENEFIT

- Identifying a gap in the industry where there is a lack of sufficient service or resources, we have established a foundation in smaller towns across India. This strategic move aims to address the underserved needs in these areas
- Leveraging the Group's extensive networks in the steel business, where we are able to attract skilled dealers and painters in these towns. This has helped us establish a unique market niche for our business
- Reinforcing our significant market share in several segments of the North and East Indian markets

City-Wise Paints Business Revenue Split in FY 2022-23 (%)



City-Wise Paints Business Dealer Split in FY 2022-23 (%)



Benefiting through Fortified Dealer Network

Our commitment to focus on premium products remains unyielding. In order to achieve our strategic goals over the next five years, we have channelled our efforts towards strengthening our dealer network.

4,071

Dealer Network in FY 2022-23

Strong Relationships with Dealers

- Best-in-class dealer margins on all products

- Dedicated rewards and recognition program

- Incentives, such as Company-sponsored trips to domestic and overseas locations

- Invitation to the Company's cultural events, get-togethers, and other events

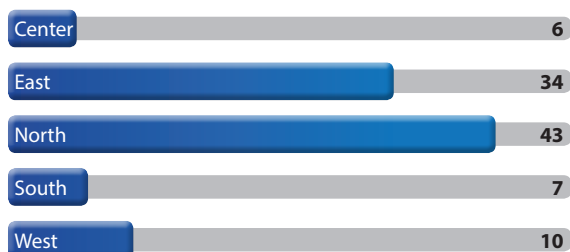
Achievement through Joint Collaboration in the Next 5 Years

- From current scale of 4,000+ dealers to 50,000+ dealers in India

- Drive enhanced market penetration across India

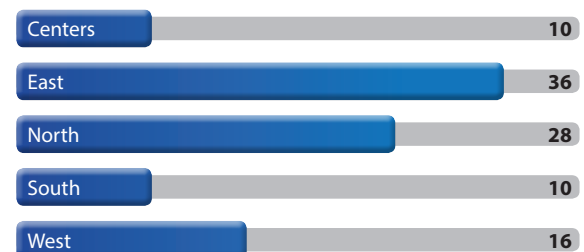
- Better understanding of various mini-markets, presence in all key states, and a strong track record with existing dealers to drive the next phase of dealer addition

Region-Wise Revenue Split FY 2022-23 (%)



Kamdhenu's primary sales concentration is in the North and East regions of India, where a greater number of well-established dealers operate.

Region-Wise Dealer Split FY 2022-23 (%)

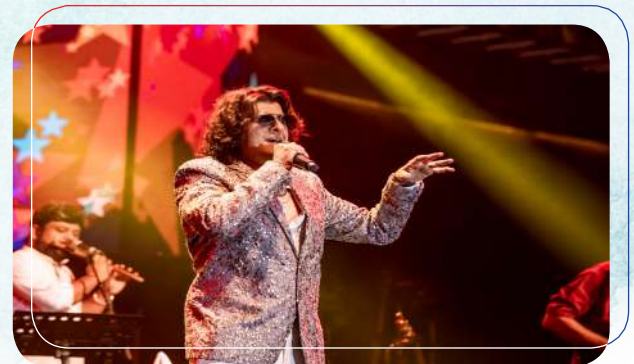


There is potential for significant growth in sales volume outside of the North and East, as the current proportion of dealerships in those areas is greater than their current revenue contribution. This suggests that there is an opportunity for expansion without additional investments.



‘Kamdhenu Paints - Bollywood Night’ – Mega Paint Event for Dealer & Distributor Awards

We organize annual award functions and cultural events, which help us to strengthen our emotional connect with dealers and build enriching relationships. The involvement of celebrities in brand promotions and event participation plays a vital role in augmenting the overall impact of such initiatives.



Manufacturing Competence

Advancing with Robust Operational Capacity

The main factor behind our growth and success is the best quality at the best price, which constitutes our brand's Unique Selling Proposition (USP). Kamdhenu Paints has received praise from customers across the nation who purchased our premium quality paints. This has inspired us to increase the number of paint products we offer. Along with being easily affordable to most customers, our products also benefit from a robust distribution network that makes them widely accessible in all geographical areas.

We have a prudent mix of capacity which includes owned production capacity and outsourced capacity. Leveraging these capacities has enabled us to reach a large number of customers.

36,000 KL P.A.

Own Production Capacity

50,000 KL P.A.

Total Outsourcing Capacity



OUR COMPETITIVE ADVANTAGE

- Revamped our owned production capacity to focus on premium and texture paint products
- Ensured quality at outsourced units by deploying our own technical team at the manufacturer's plant
- Leveraged opportunity to capture a significant share of the market by combining optimal utilization of our current capacity with our strong distribution network

ROBUST TINTING INFRASTRUCTURE

- Installed over 1,300 tinting machines at our dealer outlets to enable a wide range of paint shades; to be created by mixing colorants from our computerized tinting machines with various paint bases
- Minimized our inventory to ensure just-in-time delivery of the exact amount of paint, needed for each order
- Reduced the disposal of excess paint as hazardous waste
- Reduced the labor requirements and the amount of space needed to handle and store our paint inventory
- Decreased our procurement costs for new paints



Growth Strategy

Scripting Roadmap for Next Half-a-Decade

Kamdhenu Paints aims to solidify our market position by harnessing key growth drivers and expanding our outreach through our '5-year plan'. This strategy is poised to unleash our potential for expansion and bolster our profit margins.

OUR GROWTH DRIVERS

- Leveraging urbanization and raising disposable income
- Premiumizing portfolio through the launch of innovative products and expanding into newer segments
- Increasing density of dealer network
- Building brand equity through aggressive investments
- Gaining market share from unorganized players
- Increasing capacities through new plants
- Tapping underpenetrated markets
- Adding new tinting machines across dealer network
- Shortening re-painting cycles
- Housing for all





STRATEGIC IMPERATIVES

- Expanding pan-India visibility through aggressive spending on advertising and promotions
- Increasing sales penetration in South India by collaborating with contract manufacturers
- Targeting urban markets through institutional sales
- Formulating robust hiring plan
- Developing solid ERP tools and IT-aided distribution infrastructure



Chairman's Communique



Kamdhenu Paints holds a strong market share in the North and East and is now planning to expand in the smaller towns tapping the unidentified gap in the paint industry.



Dear Stakeholders,

It is with great pleasure that I present to you the first annual report of Kamdhenu Ventures Limited for FY 2022-23.

We have successfully completed the demerger of paints business, and our paint business will now operate under the name of Kamdhenu Colours and Coatings Limited, a wholly-owned subsidiary of Kamdhenu Ventures Limited.

Kamdhenu Paints has been a leading brand in the Indian decorative paints segment. We achieved strong performance during the year, driven by our self-owned and outsourcing capabilities, as well as the support of our dedicated team. Kamdhenu Paints holds a significant market share in the North and East regions and is now planning to expand into smaller towns to tap into untapped opportunities in the paint industry. We have decided to prioritize premium offerings and gradually reduce the number of low-priced dealers to focus on premium products. Our mission is to help our customers paint their ideal homes and create value for our stakeholders.

FY 2022-23 was a volatile year for the global economy. The world faced the ongoing economic impact of the Covid-19 pandemic, coupled with heightened geopolitical tensions such as the Russia-Ukraine conflict, energy crisis, inflationary pressures, and subsequent rate hikes by central banks to curb inflation. Additionally, banking crises created further uncertainty for the global economy. Despite these challenges, labor markets in most advanced economies experienced growth, and aggregate demand exceeded expectations. Moreover, improvements in the supply chain situation were observed due to the implementation of policy packages by economies globally.

India has displayed remarkable resilience and emerged as the fastest-growing major economy, achieving a growth rate of 7.2% in FY 2022-23. The Government is actively implementing measures to stimulate economic growth and manage inflation, with a particular emphasis on infrastructure development and increased private



investment. Despite ongoing geopolitical tensions and energy challenges, India's attractiveness to global investors is steadily increasing due to structural reforms and efficient execution aimed at enhancing the ease of doing business, establishing top-notch physical, virtual, and social infrastructure, and improving the overall quality of life. These factors collectively pave the way for robust, sustainable, and inclusive growth in India. I am delighted to share that despite the prevailing volatility, we achieved robust performance throughout the year. This success can be attributed to our strong fundamentals and our ability to swiftly adapt to market trends.

The organized decorative paints industry is expected to witness robust growth due to the rising demand for paints in India. The increasing preference for environmentally friendly paints presents a growing opportunity. Furthermore, the market for specialty paints is also growing rapidly as businesses and consumers demand more specialized products.

As one of the leading players, our strategy focuses on the manufacturing and sales of premium paint products while gradually reducing the production of low-end products. To achieve this goal, we are outsourcing our low-value products from contract manufacturers who adhere to stringent quality standards. Moreover, we continue to emphasize expanding our presence in existing markets, exploring new markets, and expanding our dealer network in Tier II, III, and Tier IV cities. To meet the strong demand prospects in the future, we are actively adding more franchisee units to our business.

In our pursuit of fostering prosperity for the country, we remain committed to our Environmental, Social, and Governance (ESG) responsibilities. We recognize the importance of taking responsibility for our actions and their effects on society and the environment. We have deployed an environmental strategy that focuses on offering environmentally sustainable products to our customers, enabling them to create healthy homes. We believe in giving back to society by undertaking initiatives in the areas of health, education, and livelihood. Our core business success lies in our people, and therefore, we prioritize inclusivity and well-being. We provide a safe and healthy working environment, as well as ample opportunities for growth and development. Our focus remains on unleashing the full potential of our employees and acknowledging

their contributions through recognition and rewards. By prioritizing the well-being of our people, we are confident in our ability to achieve our goals and establish a sustainable future for our business.

I would like to express my heartfelt appreciation to our Board, stakeholders, the Government, business partners, bankers, and other shareholders for their trust and unwavering support throughout our journey. I kindly request all stakeholders to remain by our side and continue supporting us in our future endeavors for sustained business success.

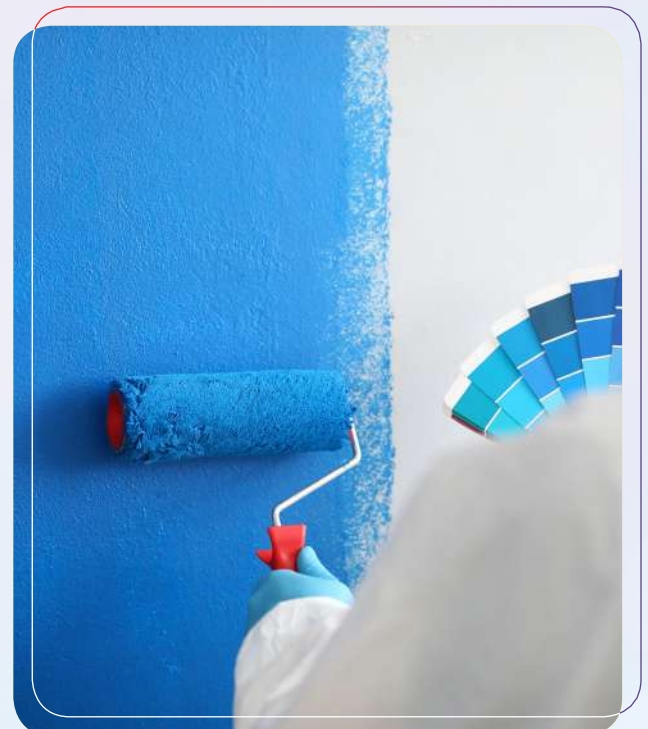
Furthermore, I extend my sincere gratitude to the entire team whose relentless efforts have resulted in outstanding service delivery throughout the past year, as evidenced by our performance. With optimism and determination, we aim to build upon this progress and achieve even greater milestones in FY 2023-24.

Best wishes,

Sincerely,


Sunil Kumar Agarwal

Chairman



Letter from the Managing Director



With an unwavering sense of positivity and determination, we persistently move forward, fully prepared to achieve even greater milestones in line with our carefully planned growth strategy. 



Dear Stakeholders,

I am happy to present to you the highlights of our progress and performance during FY 2022-23.

In the face of uncertain global events, we have persevered and strengthened our organization. We have successfully scaled our business, enhanced our capabilities, and expanded our production capacity, making our Company stronger and more resilient. Our primary focus has been the growth of our paint business through strategic initiatives, such as expanding our dealer network, introducing environmentally friendly paints, entering under-penetrated markets, and enriching our product portfolio with premium offerings. With an unwavering sense of positivity and determination, we persistently move forward, fully prepared to achieve even greater milestones in line with our carefully planned growth strategy.

Despite the volatility in the external environment, our operational performance was stable. Our revenue composition reflects an impressive 83% for water-based products, 7% for powder-based products, and 10% for solvent-based products. Notably, we achieved an average selling price per kilogram/liter of ₹ 79 in FY 2022-23. Through a renewed focus on premium products and the implementation of innovative initiatives like designer galleries, rewarding schemes, incentives, and an invigorated branding and advertising campaign, we achieved an impressive 43% market share in the premium products segment. Furthermore, our dealer network expanded significantly, with over 4,000 dealers collaborating with us. Geographically, a noteworthy portion of our revenue, 34%, was derived from the eastern region. Similarly, 36% of our dealers are in the eastern region.



Our financial performance showcases our resilience, with revenue from operations reaching ₹ 259.5 Crores, of which ₹ 250.5 Crores are attributable to Kamdhenu Colour and Coatings Limited. In terms of EBITDA, we achieved ₹ (0.5) Crores for FY 2022-23, with Kamdhenu Colour and Coatings Limited contributing ₹ 0.4 Crores. Our PAT stood at ₹ -2.5 Crores, with Kamdhenu Colour and Coatings Limited accounting for ₹ -2.3 Crores. I am delighted to announce that we have achieved a debt-free status as a company. As we move forward, we aim to attain positive EBITDA in our paint business by FY 2023-24.

Kamdhenu Ventures recently raised funds amounting to ₹ 65.25 Crores through preferential issuance to qualified institutional buyers. This fund raising endeavor served the crucial purpose of injecting capital into Kamdhenu Colours and Coatings Limited, our wholly-owned subsidiary. A significant portion of the raised funds, ₹ 58 Crores, will be strategically allocated to meet various requirements within Kamdhenu Colours and Coatings Limited. These include catering to the working capital needs of our paint business, enhancing the brand image through robust branding and marketing initiatives, financing capital expenditures such as the acquisition of fixed and tinting machines at dealer counters, and reducing the GECL facility loan.

At Kamdhenu Ventures, our robust corporate governance practices have always been a defining characteristic, and we remain committed to continuously enhancing this aspect. We rigorously review every business process, constantly striving to elevate the standards we set for ourselves.

Next 5-Year Vision Roadmap

- Enhancing product portfolio through the introduction of innovative offerings and expansion into new segments
- Expanding dealer network to improve market coverage
- Significant investments in building brand equity
- Capturing market share from unorganized competitors
- Expanding production capacities with the establishment of new plants
- Exploring untapped markets with low market penetration
- Deployment of additional tinting machines across our

dealer network

- Reducing re-painting cycles to increase customer engagement

I would like to express my heartfelt gratitude to our esteemed stakeholders for their relentless encouragement and support, which have played a crucial role in propelling the progress and accomplishments of our Company. Their steadfast confidence has been instrumental in the success of our value-adding business initiatives and ventures. Additionally, I would like to express my sincere appreciation to our dedicated team and employees for their invaluable contributions to the growth and accomplishments of our organization. With a firm belief in infrastructure's pivotal role in shaping our nation's destiny, we remain confident in the promising future of our industry and Company.

Best wishes,

Sincerely,

Saurabh Agarwal

Managing Director



Business Positioning

Value Creation Process

Input



Financial Capital

₹ 80.48 Crores

Shareholders' Fund

₹ 55.68 Crores

Borrowings

₹ 136.16 Crores

Capital Employed



Manufactured Capital

₹ 43.66 Crores

Property, Plant and Equipment

₹ 50,000 KL

Installed Outsourced Capacity

₹ 36,000 KL

Installed Owned Capacity



Intellectual Capital

40+ SKUs across 10+

Product Categories

20,000+

Registered Painters



Human Capital

₹ 26 Crores

Employee Benefit Expenditure



Social and Relationship Capital

4,071

Total Dealer

33

Total Sale Depot

20,000+

Registered Painters

Value Creation Approach

Our Vision

To be established as the leading manufacturer and supplier of Paint products with following global best governance practises and our founding philosophy as the corner stone.



Our Strategic Focus

- Expanding pan-India visibility through aggressive spend on advertising and promotions
- Increasing sales penetration in South India by collaborating with contract manufacturer
- Targeting urban markets through institutional sales
- Formulating robust hiring plan
- Developing solid ERP tools and IT-aided distribution infrastructure



Output

₹ 259.50 Crores
Consolidated Revenue

₹ (11.27) Crores
PAT

₹ (0.46) Crores
EBITDA

₹ (3.61%) Crores
ROCE

Revenue Growth of
7.48% in FY 2022-23

New Products Launch
KAMO GLITTER
Pan-India Presence

SDGs Mapping



Our Value Creation Pillars

Strong Leadership

Resource Allocation

Strategy

Risk Management



Our Offerings

- Exterior & Interior Emulsions
- Water-based Primers
- Wood Finishes
- Textured & Designer Paints
- Construction Chemicals



Brand Promotion

Flourishing through Strategic Brand Promotion

Our Company has signed Bollywood luminary and accomplished entrepreneur Preity G Zinta as our esteemed Brand Ambassador. Through this collaboration, we are partnering with her for our decorative paints business, operating under the brand name 'Kamdhenu Paints'.


Through this robust partnership, our goal is to enhance our brand recognition and awareness for 'Kamdhenu Paints' across India. Thereby, establishing our brand as the preferred choice for Indian consumers.

The inclusion of Preity G Zinta as our brand ambassador aligns perfectly with the ethos of our brand. As a modern woman who embodies versatility and flawlessly juggles multiple roles, Mrs. Zinta's widespread appeal across various demographics makes her an ideal representative for our brand.

As part of our efforts to enhance brand recognition and establish stronger relationships with our customers and dealers, we are implementing various initiatives, including celebrity affiliations, brand promotions, and event participations. Our strategies are designed to forge a stronger emotional bond between our brand and our target audience. We are highly optimistic that they will enable us to accomplish our goals.

Preity G Zinta on Kamdhenu Paints



I am truly excited about my association with Kamdhenu Paints. I am happy to be a part of the Kamdhenu family. Kamdhenu Paints is a reputed brand built on the touchstones of quality, integrity and commitment to its customers. There was a lot of common ground, given the strong culture of innovation and the constant need to adapt to changing preferences. I look forward to our journey together. 



KAMDHENU PAINTS
Sempurna Surakarta Ki Garansi

INTRODUCING SUPERIOR RANGE OF
INTERIOR EMULSION

Kamdhenu Super Shine
GEMERAK BERSAMA SUDAMAI

Kamdhenu KAMO Hi-Sheen
HIGH SHEEN TOTAL COVERAGE & PROTECTION

Kamdhenu Velvety
SMOOTH AS BUTTER

Kamdhenu Kamorich
ANTI-FUNGAL & STAIN RESISTANT

TOLL FREE: 1800 1800 545
www.kamdhenupaints.com

High Sheen Luxurious Smooth Finish Low VOC & No Odour Stain Resistant Anti-Fungal

Join us at:

PARTICIPATION OF NOTED CELEBRITIES

Our brand promotion initiatives also encompass active participation in events featuring notable celebrities such as Preity G Zinta, Emraan Hashmi and Madhuri Dixit, among others. Through such collaborations, we seek to reinforce our dealer connections and broaden our brand's outreach and visibility.

OUR STRATEGIC ACTIONS FOR BRAND PROMOTION

Promoting our brand is a crucial strategic action that we take great pride in. By doing so, we establish deep connections with our customers and significantly enhance our brand visibility.

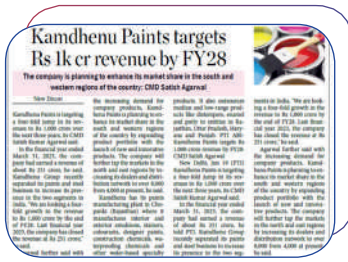
OUR BRAND PROMOTION CHANNELS

PRINT MEDIA

As part of our Company's strategy, we are committed to promoting the 'Kamdhenu' brand through reputable newspaper advertising. This tactical approach is designed to expand our customer base and amplify our outreach. The advertisements are included in the following:

National Newspapers

- The Indian Express
- Jansatta
- The Financial Express
- The Economic Times



Regional Newspapers

- Rajasthan Patrika
- Jansatta
- Punjab Patrika

કામધેનુ પેઇન્ટ્સનું લક્ષ્ય નાણાકીય વર્ષ ૨૦૨૮ સુધીમાં આવક ચાર ગણી કરવાનું છે

આને તેમની બાબે નંદુરત સુપ્રાને પ્રો-નાટિવ કરવાનો છે. આ કાર્યક્રમમાં રોકાણમાંથી ૮૦૦ થી વધુ ડીલરો તેમના પરિવારો સાથે ભાગ લેવા સહા.

કુદિ આરમ્ભના આરંભ સુધે, કંપની નવા અને નવોન ઉત્પાદનોને સરખે તેના ઉત્પાદન પેકેજીંગને સુધારવા સુધે રોકાણ કરવા અને વધુ સુધે તેનો અભાગીકરણે વધારવાની યોજના કરવા સુધે.

તેના ડીલર અને ડિસ્ટ્રીબ્યુશન નેટવર્કને વિસ્તરણ કરીને, કંપની તેના ઉત્પાદનોને ઉત્તરથી અને પૂર્વથી વિસ્તરવાના આશયે સુધે ડીલરશુધેક કરી રહી છે. કંપનીની મુખ્ય કાર્યકર અરવિંદ સેત્તે (KSBN 2) 2023' ઉદ્ધેશના અરવામાં આવી સતી. KSBN એ આઈએસબીએમ ઉદ્ધેશને ઉદ્ધેશ ડીલરોની પ્રમોશન કરવાની વધારવાનો છે.

PROMOTION MATERIALS

At Kamdhenu Paints, we plan our promotional activities through marketing resources, having the branding of Kamdhenu's products on them. These include:

- Distribution catalogue
- Brochures & fan decks
- Visiting cards for dealers
- Shop branding
- Sample board, pen, painting tools having the branding of Kamdhenu's products



DIGITAL CAMPAIGNS

Our Company's advertising strategy utilizes digital channels such as social media, e-mail, and websites to enhance the visibility of our products. The strategy encompasses the following:

- Social media campaigns to educate consumers about the benefit of our products
- The initiative to enable people to make informed choice



OUTDOOR CAMPAIGNS

Our Company engages in advertising activities by utilizing physical spaces to promote our product portfolio. These include:

- Billboards
- Bus stops
- Street furniture



BRAND AWARENESS INITIATIVES

Kamdhenu Paints engages in a wide range of initiatives to create awareness among our stakeholders about our product portfolio. The initiatives include:

- Dealers and distribution meets
- Customer meets
- Seminars, conferences
- Workshops
- International trips
- Motivational sessions



TELEVISION CAMPAIGNS

Our Company runs television campaigns through various channels to promote our product portfolio. We weave in various sponsorships and advertisement campaigns to further bolster our strong presence in a host of national and regional TV channels. These include:

- Aaj Tak
- Zee News
- Zee Business
- ABP
- CNBC Network



Our ESG Goals

Weaving Sustainability for Balanced Growth

Kamdhenu Paints has adopted Environmental, Social, and Governance (ESG) goals, aligned with our vision of being a responsible corporate citizen. Our focus on ESG goals drives our initiatives throughout the organization. Our efforts to balance our impact on the environment and society, while emphasizing on strong governance practices, are guided by these goals.



ENVIRONMENTAL STEWARDSHIP

“The Earth is all we have in common.” – Wendell Berry

Our top priority is the protection of natural resources, which are closely intertwined with our existence. For this, we have woven sustainable practices in our manufacturing capabilities. Overall, we are focusing on optimizing resources through sustainable manufacturing practices and minimizing waste.





SOCIAL IMPACT

“Alone we can do so little; together we can do so much.” – Helen Keller

At Kamdhenu Paints, we are committed to creating a meaningful and lasting impact on society, one that extends beyond our day-to-day operations. We strive to empower and support local communities by providing access to education, skill development, healthcare, livelihood opportunities, while promoting innovation.

Our Corporate Social Responsibility (CSR) program focuses on important areas of social development and emphasizes sustainable transformation as a central goal. We are steadfast in our commitment to broaden the scope of our social initiatives and create meaningful change for communities-in-need.



GOOD GOVERNANCE

“People’s participation is the essence of good governance.” – Narendra Modi

Our pursuit of growth is embedded in our relentless commitment to uphold the highest ethical standards. By adhering to a robust code of conduct and sound financial ethics, we set an exemplary standard for good governance. Our esteemed Board of Directors, with their prudence and perseverance, guides us to excel in our business.

50%

Board comprises Independent Directors

100%

Attendance Rate in Board Meetings



Experienced Board of Directors



SHRI SUNIL KUMAR AGARWAL
Chairman



SHRI SAURABH AGARWAL
Managing Director



SHRI SACHIN AGARWAL
Non-Executive Director



SHRI MADHUSUDAN AGARWAL
Independent Director



SHRI RAMESH CHAND SURANA
Independent Director



SMT NISHAL JAIN
Independent Director



Corporate Information

DETAILS OF COMPOSITION OF COMMITTEES

Audit Committee

Shri Madhusudan Agarwal
Chairman

Shri Saurabh Agarwal
Member

Shri Ramesh Chand Surana
Member

Smt. Nishal Jain
Member

Stakeholders' Relationship Committee

Shri Madhusudan Agarwal
Chairman

Shri Saurabh Agarwal
Member

Smt. Nishal Jain
Member

Nomination and Remuneration Committee

Shri Ramesh Chand Surana
Chairman

Shri Madhusudan Agarwal
Member

Smt. Nishal Jain
Member

Risk Management Committee

Shri Sunil Kumar Agarwal
Chairman

Shri Saurabh Agarwal
Member

Shri Madhusudan Agarwal
Member

Smt. Nishal Jain
Member

Shri Vineet Kumar Agarwal
Member

REGISTERED OFFICE

CIN: L51909HR2019PLC089207
2nd Floor, Tower - A,
Building No. 9, DLF Cyber City, Phase-III,
Gurugram - 122002, Haryana
Telephone: +91-124-4604500
Email: cs@kamdhenupaints.com
Website: www.kamdhenupaints.com

WORKS

E-538-539A, Industrial Area, Chopanki, District
Alwar, Rajasthan - 301019, India.

BANKER

Indian Bank

REGISTRAR AND SHARE TRANSFER AGENT

Skyline Financial Services Private Limited
D-153A, 1st Floor, Okhla Industrial Area,
Phase -I, New Delhi - 110 020
Telephone: 011-40450193-97, 011-26812682-83
Email: info@skylinerta.com

STATUTORY AUDITORS

M.C Bhandari & Co., Chartered Accountants

SECRETARIAL AUDITORS

Chandrasekaran Associates,
Company Secretaries

Management Discussion & Analysis Report

PRIORITIZING RESPONSIBLE GROWTH

The Company is committed to enhancing the customer experience by establishing elevated benchmarks for the superior quality of its paint products. It also places a strong emphasis on transparency in its operations, catering to the needs of various stakeholders, including customers and franchisee partners. The Company is dedicated to fostering an inclusive work environment that values diversity, offers abundant opportunities, and supports the professional development of its employees, thus prioritizing responsible growth in all its endeavors.

PAVING THE WAY TOWARDS A BRIGHTER FUTURE

The Company has embraced its vision by formulating a comprehensive growth strategy focused on delivering exceptional value to its stakeholders. This strategy revolves around four key pillars: Brand Innovation, Sustainability, Meeting Customer Needs, and Ensuring Safety. Through these pillars, the Company ensures that the colours of the Company's growth gets one shade brighter with each passing year.

PRACTICING PRUDENCE TO ENSURE OPERATIONAL EFFICIENCY

The Company acknowledges that the key element of futureproofing is the ability to maintain a thorough understanding of risks faced by the business and the organization. The Company's risk management strategy is focused on adopting agile methodologies,

facilitating swift implementation of solutions, iterative testing and learning, and gradually refining risk controls. These measures contribute to a prudent approach for the organization, enabling prompt identification of risks and threats to its business. This, in turn, enables the organization to respond to emergencies in a timely and calculated manner, while maintaining operational efficiency.

AMPLIFYING ENGAGEMENT FOR HOLISTIC PROGRESS

The Company regularly undertakes materiality assessments to identify stakeholders' concerns and environment, social and governance issues that impact the business and its ability to create value. It works towards enhancing its partners' progress by sharing best practices and driving inclusive growth, by amplifying engagement. The Company's commitment to strengthening communities and ensuring holistic progress is evident through its target initiatives.

BOLSTERING SUSTAINABLE VALUE CREATION

As the Company strives to expand its production capacity through efficient operations, its endeavor has always been to minimize consumption of natural resources and reduce water, energy, and emissions of effluents. With enhanced consumption trends across markets, the Company continues to implement strategic initiatives to solidify its market position as a key player in the Paint industry. As the Company moves forward in its journey of excellence, it remains committed to bolster sustainable value creation for all stakeholders.



MANAGEMENT DISCUSSION & ANALYSIS REPORT (Contd.)

THE GLOBAL ECONOMIC LANDSCAPE

Heading towards the recovery phase

The financial year 2022-23 commenced on a positive note as countries embarked on mass vaccinations, eased restrictions, and reopened their economies following the Covid-19 pandemic. However, the global economy continues to remain in a precarious state, facing the cumulative impact of three years of adverse shocks from the Covid-19 pandemic, followed by the Russia-Ukraine conflict. Drawing upon the positives, the implementation of measures such as quantitative easing, relaxation of restrictions, support packages, and government initiatives aimed at achieving maximum employment and price stability have helped facilitate a gradual recovery.

However, certain challenges have emerged in the form of increased interest rates by central banks in several economies, along with supervisory and regulatory gaps, and a reduction in bank-specific risks. These factors have exerted stress on specific segments of the financial systems, thereby raising concerns about financial stability. Furthermore, the recent banking instabilities serve as a reminder that the global economic outlook remains fragile, with the existing downside risks and increasing uncertainty. Inflation has proven to be more persistent than anticipated, with core inflation still peaking in many countries. The strong labour markets in most advanced economies indicate higher-than-expected aggregate demand, potentially necessitating further tightening or a prolonged period of tight monetary policy.

It is crucial not to underestimate the potential repercussions of a sudden tightening of global financial conditions, commonly known as a 'risk-off' event. Such an event could significantly affect credit conditions and public finances, particularly in emerging markets and developing economies. It could result in substantial capital outflows, a sudden rise in risk premiums, a flight to safety leading to a stronger US dollar, and significant declines in global economic activity. Such circumstances are likely to erode confidence, dampen household spending, and curtail investment activities.

The vulnerabilities of the Chinese economy have further contributed to weakening growth forecasts. Moreover, the combination of decelerating global growth, ongoing monetary tightening, and increasing debt levels in specific economies since the global financial crisis creates a potential for financial contagion. Additionally, inflation persisting in advanced economies, along with indications of

further interest rate hikes by central banks, raises downside risks to the global economic outlook.

Inflation and Growth Dynamics

- **Inflation Projections**

The baseline forecast for global headline inflation indicates a decline from 8.7% in 2022 to 7.0% in 2023. This estimate is 0.4% points higher than the January 2023 projection but nearly double the estimates from January 2022. Around 76% of economies worldwide are expected to experience a decrease in headline inflation in 2023. The decline can be attributed to lower fuel and commodity prices, as well as the anticipated cooling effects of monetary tightening on economic activity. However, variations in inflation levels are likely to persist between advanced economies and emerging markets and developing economies.

The projection for global inflation, excluding food and energy, suggests a gradual decline of 0.2% points to 6.2% in 2023, primarily due to the persistent nature of underlying inflationary pressures. This forecast is 0.5% points higher than the previous estimate in January 2023.

It is anticipated that most economies will take until 2025 to achieve their inflation targets. An analysis of inflation targets and the latest forecasts for 72 economies, including 34 advanced economies and 38 major emerging market and developing economies, reveals that in 97% of cases, annual average inflation is expected to exceed the target (or the midpoint of the target range) in 2023, with a median deviation of 3.3% points. In 2024, it is predicted that inflation will surpass targets in 91% of cases, with a projected median deviation of around 1% point. However, approximately half of the countries with an inflation target range are expected to have inflation within their target range in 2024. By 2025, inflation is projected to be closer to the target (or midpoint of the target range), with a median deviation of only 0.2% points.

In an alternative scenario characterized by tighter credit conditions, it is expected that global headline inflation will further decrease by an additional 0.2% points in 2023. This decline can be attributed, in part, to lower global commodity prices, with a 3% greater decline in oil prices compared to the baseline scenario. Additionally, there is a slight additional decrease in inflation when excluding food and energy components.

MANAGEMENT DISCUSSION & ANALYSIS REPORT (Contd.)

- **Growth Projections**

Advanced Market Economies

The projection for 2023 indicates a significant deceleration in the growth rate, halving to 1.3%, followed by a slight uptick to 1.4% in 2024. However, these estimates for 2023 only demonstrate a modest improvement of 0.1%. Nearly 90% of advanced economies are expected to witness a decline in growth during 2023. This substantial slowdown in advanced economies is likely to lead to higher unemployment rates, with an average increase of 0.5% points from 2022 to 2024.

In the United States, inflation reached multi-decade highs in 2022 as a result of escalating food and energy prices, combined with a tight labor market. However, as the year progressed, price pressures started to alleviate, culminating in the most rapid tightening of monetary policy witnessed in over 40 years. In the second half of 2022, the labour markets in the advanced economies have stayed very strong and particularly in US the unemployment rates have been historically low. In the Euro area, after a period of activity acceleration in the first half of 2022, economic performance weakened considerably, primarily driven by soaring energy prices, supply uncertainty, and rising borrowing costs. Inflation reached record highs, primarily owing to natural gas supply disruptions and surging energy prices. In Japan, growth slowed down in 2022 due to high energy prices and supply bottlenecks, which impacted household purchasing power and dampened consumption. These challenges were further compounded by deteriorating terms of trade and weakening global demand. Growth in Japan is expected to further decelerate to 1% in 2023, along with a slowdown in other advanced economies.

Emerging Market and Developing Economies (EMDE)

The economic prospects are stronger in EMDE, but these estimates vary more widely across various regions. The average growth is anticipated to be 3.9% in 2023 and to rise to 4.2% in 2024. The estimates for 2023 is modestly lower by 0.1% points compared to the earlier 4.7% forecast in January 2022. In low-income

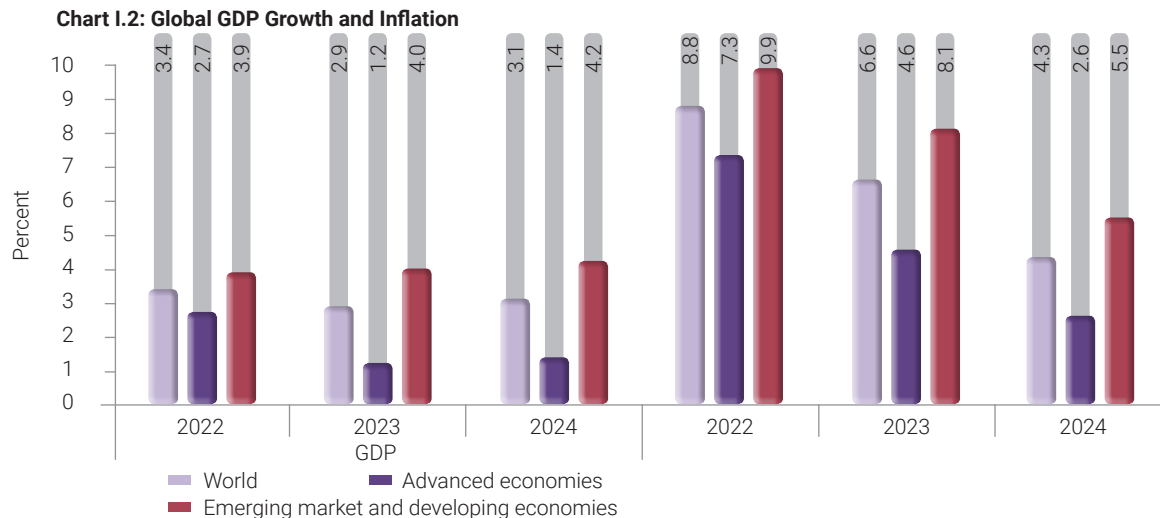
developing countries, GDP is expected to experience an average growth rate of 5.1% over the period of 2023-24. However, the projected per capita income growth for the same period averages only 2.8%, which falls below the average for middle-income economies, which stands at 3.2%. This level of growth is insufficient to achieve convergence in living standards with those of middle-income economies. The effects are larger in advanced economies in comparison to the emerging market economies, with growth falling below 1% compared with 1.3% in the baseline forecast.

In the immediate future, it is crucial to have global efforts in place to address the risks of a global recession and the potential debt distress faced by Emerging Market and Developing Economies (EMDEs). Given the limited policy space available, national policymakers should prioritize directing fiscal support towards vulnerable groups, maintaining well-anchored inflation expectations, and ensuring the resilience of financial systems.

Furthermore, policies need to be implemented to facilitate a significant increase in investment in EMDEs. Such an increase can potentially counteract the decline in long-term growth that has been amplified by the combined effects of the Covid-19 pandemic, the Ukraine conflict, and the swift tightening of global monetary policies. Achieving this objective will necessitate securing new financing from the international community and reallocating existing expenditures, such as inefficient agricultural and fuel subsidies, towards more productive purposes.

In 2023, approximately half of emerging market and developing economies are expected to experience slower growth compared to 2022. This can be attributed to the persistence of inflationary pressures in these economies, particularly in those heavily reliant on oil and gas imports, as well as ongoing disruptions in global supply chains. Nevertheless, stable consumption patterns and sustained fiscal support have contributed to maintaining growth levels.

MANAGEMENT DISCUSSION & ANALYSIS REPORT (Contd.)



(Source: MPC report, 2023)

World Economic Outlook Projection (%)

Regional Growth	Year on Year		
	Estimate	Projections	
	2022	2023	2024
World Output	3.4	2.8	3.0
Advanced Economies	2.7	1.3	1.4
Emerging Market and Developing Economies	4.0	3.9	4.2
United States	2.1	1.6	1.1
China	3.0	5.2	4.5
India	6.8	5.9	6.3

Note: For India, projections are presented on a fiscal year basis, with financial year starting in April 2022, while for other economies it is from Jan-Dec 2022. India's growth projections are 5.4 % in 2023 and 6.3 % in 2024 based on calendar year.

(Source: International Monetary Fund)

MANAGEMENT DISCUSSION & ANALYSIS REPORT (Contd.)

Outlook

The outlook for the global economy in 2023 and 2024 is characterized by significant uncertainty, as it is heavily influenced by various factors. These factors include the impact of further monetary tightening, the ongoing Russia-Ukraine conflict, geopolitical tensions, and the possibility of additional disruptions in global supply chains. In 2022, the global manufacturing Purchasing Managers' Index, a key indicator of economic activity, experienced a steady decline and remained in contraction territory from September to November. Aligning with the trend, global growth continues to be sluggish in 2023, and the losses in output compared to the pre-pandemic growth trajectory are likely to increase further, particularly in developing countries. Global inflation will decrease from 8.7% in 2022 to 7.0% this year and 4.9% in 2024. Global growth is forecasted to slow from 3.2% in 2022 to 2.7% in 2023 as per IMF's World Economic Outlook. A slower growth in economic output coupled with increased uncertainty will dampen trade growth. This is seen in the lower forecast for growth in global trade by the World Trade Organisation, from 3.5% in 2022 to 1.0% in 2023.

Financial conditions on a global scale tightened considerably in 2022 due to interest rate hikes worldwide, escalating geopolitical tensions, and a weakening global economic outlook. These factors triggered a 'flight to safety' in international capital markets. Heightened risk aversion among investors and increased market volatility led to mounting financial pressures on developing countries, particularly in the second half of the year. This was manifested in currency depreciation against the US dollar and a reversal of non-resident portfolio flows, although the magnitude of these effects varied across regions.

THE INDIAN ECONOMY

The Indian economy has achieved notable advancements since the onset of the Covid-19 pandemic, surpassing the recovery levels of many other countries and demonstrating a complete rebound in the fiscal year 2021-22. This progress has positioned it well to reach its pre-pandemic growth trajectory in the fiscal year 2022-23. As per IMF reports, India is one of the fastest-growing economies in the world with a growth forecast of 5.9% in the current fiscal year. India's headline retail inflation is anticipated to ease up, from 6.7% in the previous year to 4.9% in 2023-24. This further indicates that the economy is determined to overcome from unprecedented challenges.

India's economic growth in 2023 has been principally led by private consumption and capital formation. The Indian economy has experienced a reduced impact from previous

turmoil, including inflation, the Russia-Ukraine war, supply chain disruptions, and semiconductor shortages, as it regained growth momentum in the first half of financial year 2022-23. Moreover, in May 2023, inflation stood at 4.25%, which is 45 basis point lower than the April 2023 figure of 4.70%. It is expected to gradually decline further in future. Moreover, to curb the inflation, the Monetary Policy Committee (MPC) rises the policy repo rate by 250 basis points during May 2022-February 2023.

The Union Budget for the fiscal year 2023-24 has allocated ₹10 Lakhs Cr for capital expenditure, showcasing a significant 33% increase in capital outlay compared to the previous year (2022-23). This allocation instills a sense of high optimism, particularly for core sectors such as manufacturing, infrastructure, and healthcare. The Government has further introduced diverse initiatives to encourage economic growth, such as the National Infrastructure Pipeline (NIP) and the Production-Linked Incentive (PLI) schemes to boost the economy. Additionally, as part of the Atmanirbhar Bharat Abhiyan initiatives, a recent allocation of ₹ 12,882.2 crore has been made for the continuation of schemes by the Ministry of Development of Northeastern Region for the duration of the 15th Finance Commission (2022-23 to 2025-26). Furthermore, a substantial investment of ₹ 2,614.51 crore has been earmarked for the 382 MW Sunni Dam Hydro Electric Project in Himachal Pradesh, to undertaken by the state-owned SJVN Ltd.

India is making steady progress in its digitalization initiatives, with significant advancements primarily observed in urban areas, followed by smaller urban areas and rural regions. This continuous progress in digitalization is anticipated to have a substantial impact on sustaining India's long-term growth trajectory. According to a report by EY in April 2023, the India's digital economy to be around USD 11 trillion, equivalent to 15.5% of global gross domestic product (GDP) in 2016. This figure is projected to reach USD 23 trillion, accounting for 24.3% of global GDP, by 2025.

The adoption of digital payments in India has witnessed remarkable growth, even amidst the Covid-19 pandemic. During this period, the number of digital transactions has more than trebled, soaring from 300 crores in November 2019 to 1,052 crores by January 2023. This rapid surge in digital transactions sets India apart and distinguishes its economic growth from that of its peer countries. The popularity of digital payment platforms among the Indians showcases the country's strong interest in digital transactions. The success of UPI has captured the interest of global markets. NPCI International Payments Limited (NIPL), the international

MANAGEMENT DISCUSSION & ANALYSIS REPORT (Contd.)

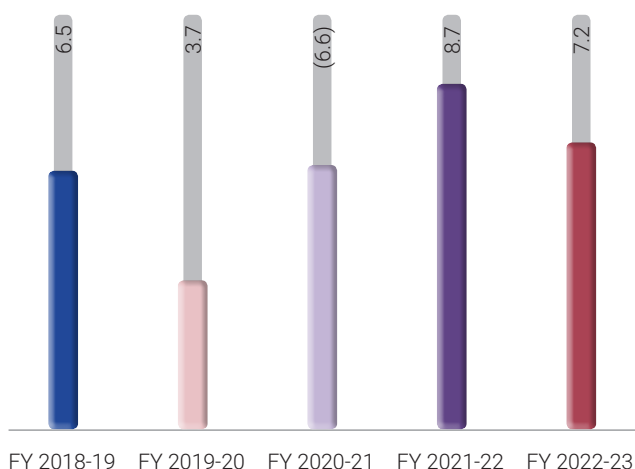
hand of NPCI has signed MOUs and agreements with nations such as France, the United Arab Emirates, and Singapore, to facilitate remittance services and merchant transactions using UPI and RuPay cards. However, it is important to note that the digital economy has a broader impact due to its interconnectedness with other sectors of the economy, both backward and forward.

Outlook

The Indian economy's growth has been revised to 7.2% in financial year 2022-23, reaffirming its position as the fastest growing nation. In terms of inflation, it is anticipated that the rates will remain moderate, ranging between 5-6%, owing to the Government's commitment to implementing tighter monetary policies. In addition, the financial sector in India continues to remain stable. It is projected that headline inflation, which is currently at high levels, will gradually ease and fall below the upper tolerance band by financial year 2023-24. Moreover, monetary policy continues to be in gradual alignment with targeted inflation. However, there are several key risks to both growth and the inflation outlook, including geopolitical tensions, persistent global inflation, volatility in global financial markets, and climate-related shocks. Despite potential global macro shocks, the Indian economy is well-positioned for growth, primarily driven by the Government's continuous focus on infrastructure development and the steady increase in private investment. These factors are collectively contributing to the momentum necessary for the economy to flourish.

(Source: Ministry of Statistics and Programme Implementation)

Indian Economic Growth (%)



(Source: Ministry of Statistics and Programme Implementation)

PAINTS INDUSTRY OVERVIEW

The Indian paint industry, with consistent double-digit growth over the last two decades, has emerged as the fastest-growing in the world. With more than 3,000 paint manufacturers in the industry, and almost all major global players present in the country, the Indian paint industry continues to shine bright on the global stage. Architectural paints constitute nearly 75% of the industry's market share, whereas industrial paints constitute the remaining 25%.

The paint industry in India is usually divided into two major segments, namely, decorative paints and industrial paints. In the last decade, the decorative paints segment has surpassed the industrial paints segment in terms of growth. India's organised decorative paints industry is expected to register a compound annual growth rate (CAGR) of 11% in financial year 2022 - 2031. This growth will be fuelled by a CAGR of 7.5% and 3.5% in volume and price mix, respectively.

The decorative paints segment consists of various categories depending on the nature of the surface. These include exterior wall paints, interior wall paints, wood finishes, enamels, and ancillary products such as primers and fillers. On the other hand, the industrial paints segment includes a wide range of products such as automotive paints, marine paints, packaging paints, powder coatings, protective coatings, and other general industrial paints.

Outlook

According to the Indian Paints Association, the size of the Indian paint industry is expected to reach ₹ 1 lakh Crore in the next five years. The rising demand for paints in India has led to a highly competitive market, with players adopting various strategies to gain a larger market share. The Indian paint industry has shifted towards eco-friendly and sustainable products, increased demand for premium and high-quality paints, growing preference for decorative and textured paints, and the emergence of a Do-It-Yourself (DIY) consumer segment are the key prospects that is going to decide the future of the Indian Paint Industry. The focus on eco-friendly paints is driven by rising environmental awareness and government regulations promoting sustainable practices.

(Source: www.paintindia.com)

Growth Drivers

I. Economic Growth

In a burgeoning economy, there is an increase in construction activity and industrial production, resulting in increased demand for paints and coatings. There has

MANAGEMENT DISCUSSION & ANALYSIS REPORT (Contd.)

been a considerable change in the consumer habits and the Indian economy has shifted from the savings economy to a spending economy. The consumer buying habits have product quality as its key priority and paint is no exception where people are ready to spend in return for a premium product. Finance options are easily available for both house buyers and automobile buyers and the easy availability of finance is likely to deliver the paint industry its well deserved share.

II. Growing Urbanisation

Growing urbanisation has led to an increase in demand for decorative paints for both residential and commercial buildings. People moving into residential houses are looking for both exterior and interior decorative options and those opting for flats have their focus on interiors which is pacing its way towards becoming a style statement.

III. Growth of Real Estate, Automobile and Infrastructure Sector

Indian paint industry is almost entirely dependent on sectors like real estate, automobile and infrastructure. The three of these sectors have shown a consistent growth in the recent path even after being hit by pandemic and are expected to grow at a much faster pace. The Indian paint industry being dependent on these sectors is surely to catch up to their pace and grow on the same graph chart with its highs in the near future.

IV. Innovation & Technology

With the advent of new technologies, manufacturers are producing high-quality and eco-friendly decorative paints, which are high in consumer demand. The paint industry continuously embraces innovation and technology to enhance product performance, sustainability, and customer experience. In recent times, technologies like sustainable paints, UV-reflective coatings, augmented reality visualisation. Overall the paint industry continues to leverage innovation and technology to improve product quality, sustainability, and user experience. These advancements contribute to a more efficient, eco-friendly, and aesthetically pleasing paint industry.

V. Increasing Penetration in the Rural Markets

The Indian paint industry have witnessed a significant growth in the rural markets due to several factors like, Government focus on increasing rural infrastructure, rising disposable income in rural areas, awareness about the protective paints, rural development projects etc. All the existing players in the market have been taking requisite initiatives to take and growth the paint sector in the rural regions of the country.

COMPANY OVERVIEW

During the year under review, Hon'ble National Company Law Tribunal, Chandigarh Bench, vide its order dated 3rd June, 2022 had approved the demerger of the Paint Business of Kamdhenu Limited into Kamdhenu Colour and Coatings Limited, a wholly owned subsidiary of Kamdhenu Ventures Limited. Pursuant to the sanctioning of the Scheme of Arrangement the demerged undertaking i.e paint business of Kamdhenu Limited was vested and transferred to Kamdhenu Colour and Coating Limited (A Wholly Owned Subsidiary of Kamdhenu Ventures Limited) and in consideration of the said demerger the Equity Shares of Kamdhenu Ventures Limited at the face value of ₹ 5 were issued and allotted to the shareholders of Kamdhenu Limited on mirror shareholding basis. On receipt of the Listing and Trading Approval from both the Stock Exchanges that is BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) on 20th January, 2023, the Equity Shares of your Company got listed on both the Stock Exchanges that is BSE Limited and National Stock Exchange of India Limited on 24th of January, 2023.

Kamdhenu Ventures Limited ('KVL' or 'Kamdhenu Ventures' or 'The Company') is a newly formed entity stemmed out from the conglomerate 'Kamdhenu Limited'. The Company through its wholly owned subsidiary company, Kamdhenu Colour and Coatings Limited (KCCL), offers a wide range of decorative paints with its proprietary name of 'Kamdhenu Paints'. KCCL has established itself amongst the top paints company in India. The Company started its journey from Northern India. Its product are widely accepted in every corner of the market including Tier-1, Tier-2, Tier-3 Towns, Urban areas and Rural areas. Our indigenous state-of-the-art production facility is situated at Chopanki, Bhiwadi in the state of Rajasthan.

MANAGEMENT DISCUSSION & ANALYSIS REPORT (Contd.)

The Company Kamdhenu Colour and Coatings Limited hosts a wide array of offerings that extend from Exterior & Interior Emulsions, Water based Primers, Wood Finishes, Textured & Designer Paints, and Construction Chemicals. Kamdhenu Colour and Coatings Limited offers the best product suite of colouring solutions for its customers that promises unparalleled experience and satisfaction.

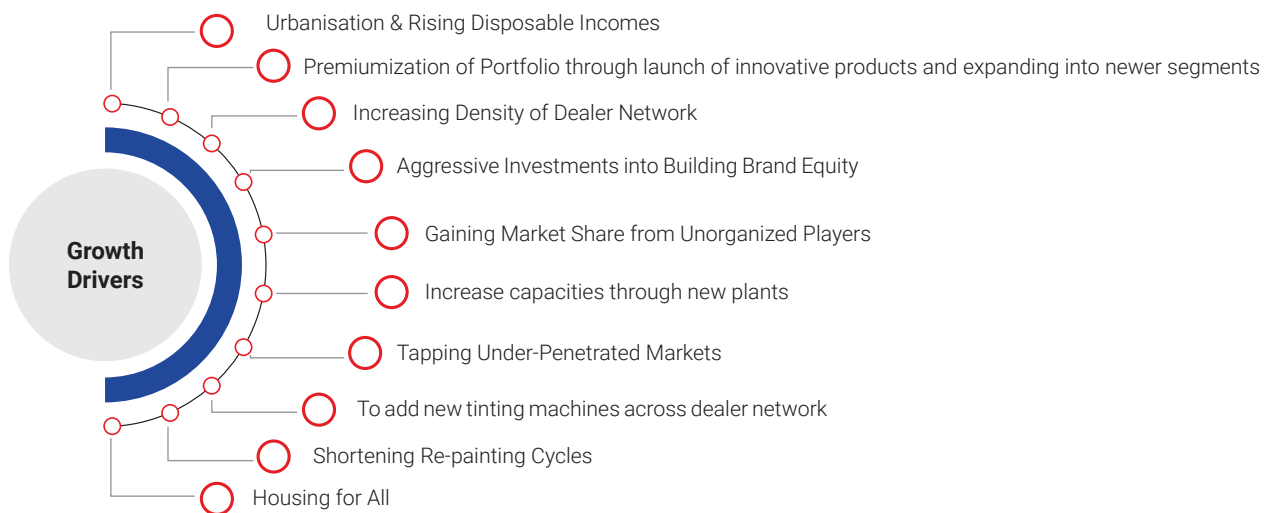
For making the dream home with perfect colours for every customer the Company Kamdhenu Colour and Coatings Limited has deployed cutting-edge equipment and state-of-the-art technologies embedded in the production lines to produce premium quality paints. The Company has an in-house capacity of 36,000 KL p.a with sells potential of ₹ 450 crores including a range of premium & regular products and also have an outsourcing capacity of 50,000 KL p.a with a sales potential of ₹150 crores that include a range of economy products.

The Company through its wholly owned subsidiary company, Kamdhenu Colour and Coatings Limited produces paints with full potential by using modern automation processes, advanced research and development laboratories, and strict quality control measures geared towards delivering high-quality products, that meet customers' expectations. Kamdhenu Colour and Coatings Limited growth trajectory is gaining momentum as it has built 40+ SKUs across 10+ product categories, over 4,000 dealers network, over 20,000

registered painters of which over 5,000 are painters who are actively procuring, and 33 sales depots across the nation.

The Company has also set up its presence through 33 sales depots throughout the nation, cementing its presence across various regions. Entry strategy in initial years focused on affordable variants like powder-based paints, putty, distempers etc. to first gain the confidence and loyalty of the dealer & painter network. After having achieved rapid growth and a good base and with dealer relationships cemented, the brand decided to prioritize premium offerings, gradually reducing the low-priced dealers to focus on premium dealers. With renewed focus on premium products, innovative ideas such as designer galleries, rewarding schemes & incentives and a refreshed branding & advertisement campaign, the Company has been able to achieve 43% share of premium products and increased the dealer count to 4,000 plus.

The Company has strategic planning of forging partnerships with numerous new dealers across India, augmenting its production capabilities by adding new plants, tapping under-penetrated markets, premiumization of product portfolio through the launch of innovative products, and expanding into new segments, and expanding nationwide visibility. Altogether, Kamdhenu Paints has envisioned itself to become the preferred choice of customers.



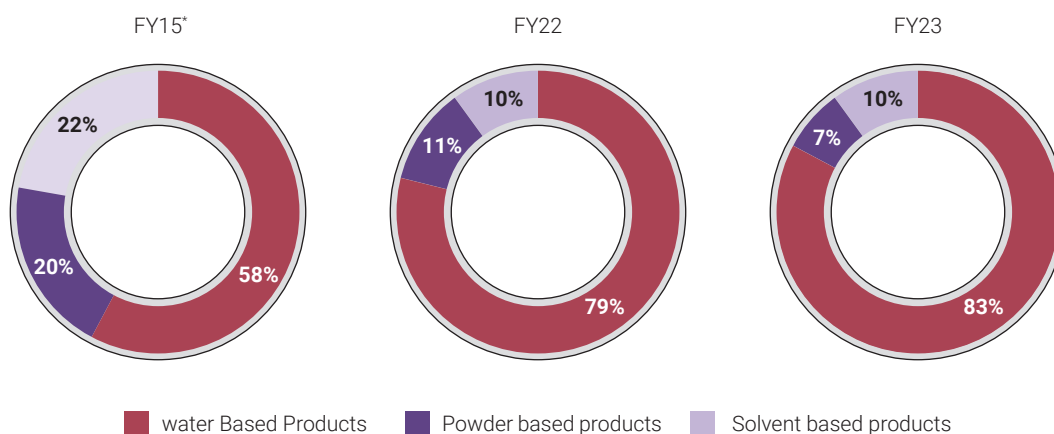
MANAGEMENT DISCUSSION & ANALYSIS REPORT (Contd.)

PERFORMANCE OVERVIEW

Operational Performance

Kamdhenu Paints has now become one of the top paints brand in India. We have our own installed capacity of 36,000 KL per annum at Chopanki, Rajasthan with sales potential of ₹ 450 Crores of premium and regular products. The Company has successfully created a network of 4,000 plus dealers and 5,000 plus active painters are associated with the Company through which the Company provides specialized solutions that aid to the household and industrial demand.

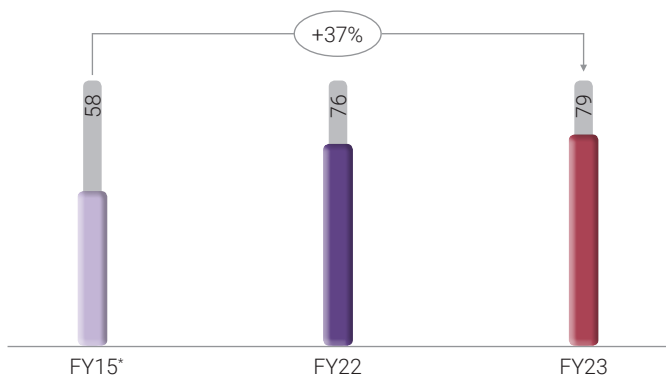
Revenue Breakup



The Company has always kept its focus on premiumisation of the Product Portfolio wherein it has increased the revenue from 58% in financial year 2015 to 83% in financial year 2023 from the Water Based Products and reducing the powder based products from 22% in financial year 2015 to 7% in financial year 2023.

In the initial years of operation the Company focused on affordable variants like powder-based paints, putty, distempers etc. to first gain the confidence and loyalty of the dealer & painter network. After having achieved rapid growth and a good base and with dealer relationships cemented, the brand decided to prioritize premium offerings, gradually reducing the low-priced dealers to focus on premium dealers.

Average Selling price per KG/Ltr



*The revenue breakup and average selling price in the diagram above for the FY 15 have been obtained from the paint segment of Kamdhenu Limited which got demerged into Kamdhenu Colour and Coatings Limited, a wholly owned subsidiary of the Company.



MANAGEMENT DISCUSSION & ANALYSIS REPORT (Contd.)

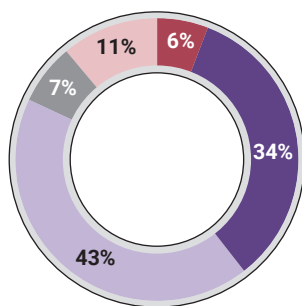
With renewed focus on premium products, innovative ideas such as designer galleries, rewarding schemes & incentives and a refreshed branding & advertisement campaign, the Company has been able to achieve 43% share of premium products and increased the dealer count to 4,000 plus. The Company has further been able to increase the average selling price per liter from ₹ 58 in financial year 2015 to ₹ 79 in financial year 2023 that is a sheer increase of more than 37% in the average selling price per liter.

Well-Entrenched and Highly Incentivized Dealer Network

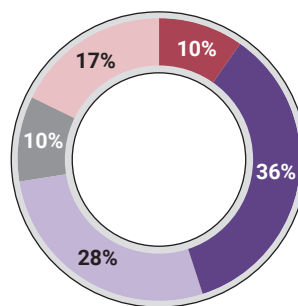
The sales are more concentrated in North & East India owing to a denser older dealer base in the region. The current dealer proportion in other regions is higher than the revenue contribution of these regions, providing scope for significant volume expansion in the future on existing investments. Better understanding of various mini - markets, presence in all key states and strong track record with existing dealers will drive next phase of dealer addition. We have a prominent presence in India's tier i, tier ii and tier iii cities through our 33 sales depots. 70% of Indian urban population is present in the tier I, II and III where majority of our customer base is present and we are not only targeting the entire customer base of this particular region but our focus is to capture the customer base in all the regions throughout the Country.

Our Regional revenue and Dealer Split

Revenue Split (FY23)



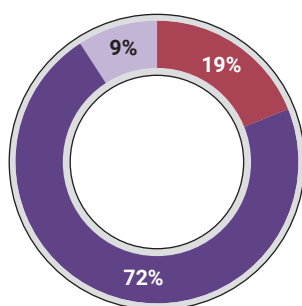
Dealer Split (FY23)



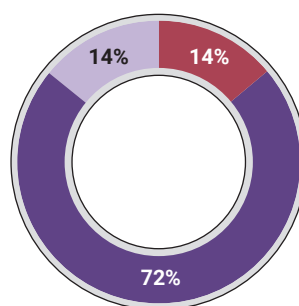
Center East North South West

Our prominence in Tier I, Tier II and Tier III cities

Dealer Split (FY23)



Revenue Split (FY23)



Tier I Tier II Tier III

MANAGEMENT DISCUSSION & ANALYSIS REPORT (Contd.)

Robust Tinting Infrastructure

The Company is having 1,300+ active tinting machines installed at dealer outlets to make wide range of shades by mixing Colourant from technology based tinting machines with the paint bases. The tinting infrastructure of the Company has led to the optimal utilization of the existing capacity. The benefits of the tinting infrastructure includes:

- Minimizes inventories and ensures just-in-time delivery of the precise amount of paint;
- Reduces disposal of excess paint as hazardous waste;
- Reduces labour requirements and space for handling and storage of paint inventory;
- Reduces procurement costs for new paint.

Financial Performance

During the Year under review:

- On a consolidated basis, the revenue of your company, for the financial year 2022-23 stood at ₹ 25,950.36 lakhs and the Company booked a Loss of ₹ 1,126.85 Lakhs for the financial year 2022-23.
- On Standalone basis, the revenue of the Company for the financial year 2022-23 stood at ₹ 899.03 lakhs and the Company booked a loss of ₹ 94.04 Lakhs for the financial year 2022-23.
- The Net worth of your Company on the standalone basis stood at ₹ 9,082.9 Lakhs as on 31st March, 2023 and on the consolidated basis the Net worth of your Company stood at ₹ 8,048.37 Lakhs as on 31st March, 2023.

S.No.	Particulars	FY 2022-23*	FY 2021-22**	Change (Increase/Decrease)	Reason for change in ratio by more than 25% as compared to the preceding year
1	Current ratio (in times)	1.42	1.55	-8.79%	NA
2	Debt equity ratio (in times)	0.71	0.53	32.71%	Increase in borrowing
3	Debt service coverage ratio (in times)	-0.47	-0.83	-43.35%	Increase in repayment of borrowings
4	Return on equity ratio (in %)	-14.00%	-13.26%	5.57%	NA
5	Inventory Turnover ratio (in times)	4.33	4.30	0.63%	NA
6	Trade receivable turnover ratio (in times)	2.45	2.48	-1.28%	NA
7	Trade payable turnover ratio (in times)	2.43	2.16	12.30%	NA
8	Net Capital turnover ratio (in times)	5.12	3.61	41.84%	Decrease in working capital
9.	Net Profit ratio (in %)	-0.04	-5.26%	-17.45%	NA
10.	Return on capital employed (in %)	-3.61%	-6.06%	-40.48%	Decrease in loss during the year
11.	Interest Coverage Ratio (in times)	-0.83	-1.39	-40.63%	Decrease in loss during the year
12.	Operating Profit Margin (in %)	-0.18%	-1.08%	-83.75%	Decrease in loss during the year

* The financial ratios for financial year 2022-23 have been derived on consolidated basis.

** The financial ratios for the financial year 2021-22 have been derived after considering the financial statements of the Paint business of Kamdhenu Limited which got transferred to and vested in the Kamdhenu Colour and Coatings Limited w.e.f. 1 April 2022, pursuant to the sanctioning of the Scheme of Arrangement, vide order of Hon'ble National Company Law Tribunal, Chandigarh Bench dated 3rd June, 2022

MANAGEMENT DISCUSSION & ANALYSIS REPORT (Contd.)

RISK MANAGEMENT

Kamdhenu Ventures Limited continues to adopt an extensive and clear risk management framework to mitigate the impact of risks the Company faces. The Company has in place a Risk Management Committee that is responsible for formulating a Risk Management Policy in order for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee. The Risk Management Committee of your company ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company and oversees the implementation of the Risk Management Policy of the Company. The Risk factors and the mitigation measures are listed below:

Risk	Impact	Mitigation Strategies
Market Risk	The Company operates in a highly competitive market with multiple players. The market is exposed to fluctuations in demand, raw material prices, and changes in consumer preferences. Uncertainties in the business environment, such as disruptions of supply chains and changes in paint demand and raw material market conditions, have increased in recent years due to the pandemic, geopolitical issues and natural disasters and other factors around the world.	To mitigate this risk, the Company focuses on developing unique products and solutions that cater to specific market needs. In addition, it also adopts a flexible pricing strategy to respond quickly to changes in market conditions.
Supply Chain Risk	The Company sources raw materials from various suppliers, and any disruption in the supply chain can impact its production and delivery schedules.	To mitigate this risk, the Company diversifies its supplier base and has established strong relationships with reliable suppliers. The Company implements inventory management systems to optimise its stock levels and reduce the risk of stockouts.
Regulatory Risk	The Company operates in a highly regulated industry, and any non-compliance with regulatory requirements can have consequences, in terms of legal and financial penalties.	The Company continues monitoring the existing and emerging regulatory landscape to proactively avoid potential risks.
Financial Risk	The Company may face financial risks due to fluctuations in exchange rates, interest rates, and credit risks, associated with customers and suppliers.	To mitigate this risk, the Company has put in place appropriate financial controls, such as risk management policies and hedging strategies. It also regularly monitors and evaluates the creditworthiness of customers and suppliers to reduce the risk of non-payment.
Reputation Risk	The Company's brand image or reputation can be impacted due to any negative publicity or public perception.	To mitigate this risk, the Company has established a strong corporate social responsibility program and invested in community engagement initiatives. It also regularly monitors its brand reputation and addresses any negative feedback or criticism in a timely and effective manner.
Shift in Customer preference	Our industry operates and is based on the preferences of the customers. The customer choice changes in line with the latest trends prevailing the market.	To mitigate the risk, the Company goes into complete research and identification on the latest trends prevailing in the market. We strive to provide a range of products to fulfilling customer requirements in line with the changing preferences.
Climate Risks	Changes in the climatic conditions of a region may tend to increase physical and transition risk which could ultimately slow down the supply chain.	To mitigate the risk, the Company timely identifies and assesses the unforeseen climatic changes and accordingly transitions are routed and taken care of. Further, the Company strives to conserve energy and reduce its own carbon footprint.

MANAGEMENT DISCUSSION & ANALYSIS REPORT (Contd.)

HUMAN RESOURCES

The cornerstone of Kamdhenu Ventures' business success, rests on the ability, skill, and dedication of every employee. The Company follows human resource policies that aim to improve employee job satisfaction and increase productivity. The Company values and respects each of its employees and provides them with opportunities centered around their skills. Altogether, the Company strives to maintain a mutually beneficial relationship with its employees.

The Company's recruitment strategy focuses on hiring qualified candidates with the required skills and focus. KVL offers employee-friendly policies industry benchmarked compensation, learning and career growth opportunities, regular appraisals, and empathetic health and safety initiatives so that employees feel motivated to perform at their best. With this, the Company leverages to retain the best talent in a highly competitive market.

With a strong emphasis on work-life balance, the Company enables employees to meet their commitments while minimising turnover and maximising productivity. By prioritising the need of the employees, the Company ensures a positive work culture across the organization, enabling employees to work comfortably and effectively and contribute to the success of the business.

At the end of financial year that is on 31st March, 2023, the Company was having 3 permanent Employees. Pursuant to Sanctioning of the Scheme of Arrangement, the transfer of Paint Business was effected on 18th July, 2022 and 386 Employees of Paint Division were transferred to Kamdhenu Colour and Coatings Limited and 3 Employees were transferred to the Company.

INTERNAL CONTROL SYSTEM

Kamdhenu Ventures has established a system of internal control, appropriate for the nature and size of the Company's

operations. This system encompasses all aspects of the Company's operations and functional areas. This includes a compliance management team with established policies, norms, and practices, as well as the applicable statutes, rules, and regulations. Furthermore, the system includes checks and balances to ensure that appropriate corrective actions are taken immediately in case of any deviations from the standards and parameters, set. The Company periodically reviews the effectiveness and efficiency of its internal control systems, making necessary amendments to align with changing business needs. Additionally, it also continuously reviews its systems, processes, and controls to compare and align them with the industry's best practices.

CAUTIONARY STATEMENT

The statement in the Management Discussion and Analysis Report describing our Company's objectives, projections, estimates, and expectations may be, forward-looking statements within the meaning, if applicable, of securities laws and regulations. Although we believe that our expectations are based on reasonable assumptions, these forward-looking statements may be influenced by numerous risks and uncertainties. This could cause actual outcomes and results to be materially different from given or implied details. Important factors that could influence our Company's operations include economic developments within the country, demand and supply conditions in the industry, input prices, changes in government regulations, tax laws, and other factors such as litigation and industrial relations. Our Company is not responsible in respect of the forward-looking statements herein, which may undergo changes in the future based on subsequent development, information, or events, and holds no obligation to update these in the future.



DIRECTORS' REPORT

Dear Member(s),

Your Directors have immense pleasure in presenting the 4th (Forth) Annual Report of Kamdhenu Ventures Limited ('your Company/ the Company') along with the audited Standalone & Consolidated Financial Statements and the Auditor's Report thereon for the financial year ended 31st March, 2023 ('year under review').

1. FINANCIAL HIGHLIGHTS

The financial highlights of your Company for the financial year ended 31st March, 2023 and comparison with the previous financial year ended on 31st March, 2022, on a Standalone and Consolidated basis, are summarized as under:

Particulars	Standalone		Consolidated	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Revenue from Operations	899.03	-	25950.36	
Other Income	-	-	36.09	
Total Revenue	899.03	-	25986.45	
Total Expenses	993.06	0.35	27091.68	0.68
Profit before Exceptional Items and Tax	(94.03)	(0.35)	(1105.23)	(0.68)
Exceptional Items	-	-	-	-
Profit/(Loss) before tax	(94.03)	(0.35)	(1105.23)	(0.68)
Tax Expenses	0.01	-	21.62	0.01
Profit/(Loss) for the Year	(94.04)	(0.35)	(1126.85)	(0.69)
Total Comprehensive Income/ (Loss) for the Year	(94.04)	(0.35)	(1127.04)	(0.69)
Paid up Capital (₹ 5 each fully paid-up) (₹ 10 each fully paid-up for FY 2021-22)	1346.78	3.04	1346.78	3.04
Earnings per Share of face value of ₹ 5 Each				
Basic (In ₹)	(0.62)	(1.15)	(7.48)	(2.27)
Diluted (In ₹)	(0.62)	(1.15)	(7.48)	(2.27)

2. STATE OF COMPANY'S AFFAIRS & FINANCIAL PERFORMANCE

During the year under review, the Hon'ble National Company Law Tribunal, Chandigarh Bench, vide its order dated 3rd June, 2022 had approved the Scheme of Arrangement.

The Scheme of Arrangement provides for:

- Amalgamation of Kamdhenu Concast Limited, Kamdhenu Overseas Limited, Kamdhenu Paint Industries Limited, Kamdhenu Infradevelopers Limited, Kamdhenu Nutrients Private Limited, Kay2 Steel Limited and Tiptop Promoters Private Limited (the Transferor Companies) with Kamdhenu Limited (the Transferee Company)
- De-merger of Paint Business (the Demerged Business) of Kamdhenu Limited (the Transferee

Company) into Kamdhenu Colour and Coatings Limited (the Resulting Company No 2) and issue of shares by Kamdhenu Ventures Limited (the Resulting Company No. 1) to the Shareholders of Kamdhenu Limited in consideration of the said de-merger.

- Re-organization of pre-Scheme Share Capital of Kamdhenu Ventures Limited (the Resulting Company No. 1)

Further pursuant to the demerger of the Paint Business from Kamdhenu Limited to Kamdhenu Colour and Coatings Limited, a wholly owned subsidiary of your Company, 2,69,35,500 Equity Shares of Kamdhenu Ventures Limited having face value of ₹ 5/- each were issued and allotted to the shareholders of Kamdhenu Limited on 9th September, 2022 on mirror shareholding basis. The Equity Shares of your Company were listed

DIRECTORS' REPORT (Contd.)

on BSE Limited and National Stock Exchange of India Limited on the 24th of January, 2023.

FINANCIAL PERFORMANCE

During the Year under review :

- On a consolidated basis, the revenue of your Company, for the financial year 2022-23 stood at ₹ 25950.36 Lakhs and the Company booked a Loss of ₹ 1126.85 Lakhs for the financial year 2022-23.
- On Standalone basis, the revenue of the Company for the financial year 2022-23 stood at ₹ 899.03 Lakhs and the Company booked a loss of ₹ 94.04 Lakhs for the financial year 2022-23.
- The Net worth of your Company on the standalone basis stood at ₹ 9082.91 Lakhs as on 31st March, 2023 and on the consolidated basis the Net worth of your Company stood at ₹ 8,048.37 Lakhs as on 31st March, 2023.

Consolidated Financial Statements of the Subsidiary Company i.e Kamdhenu Colour and Coatings Limited, forms part of Annual report .

3. OVERVIEW OF THE COMPANY PERFORMANCE

The Indian paint industry is one of the largest in the world and has been growing at a steady pace in recent years. According to the forecast by Indian Paint Association, the Indian Paint and Coating Industry, during the next five years will surpass ₹ 1000 billion from the current level of ₹ 620 billion. This is in line with the consistent double-digit Compounded Annual Growth Rate (CAGR) that the sector has achieved over the last few years. The management of your Company is well aware with the needs of the market and considering the steadily growth in the Indian per capita paint consumption driven from all the sectors and in order to create an individual identity into the Paint Sector, the Board of Directors of your Company had approved the Scheme of Arrangement in order to make the Paint division of Kamdhenu Limited stand out in the name of Kamdhenu Ventures Limited.

During the year under review, Hon'ble National Company Law Tribunal, Chandigarh Bench, vide its order dated 3rd June, 2022 had approved the demerger of the Paint Business of Kamdhenu Limited into Kamdhenu Colour and Coatings Limited, a wholly owned subsidiary of your Company.

Pursuant to the sanctioning of the Scheme of Arrangement the demerged undertaking i.e paint business of Kamdhenu Limited was vested and transferred to Kamdhenu Colour and Coating Limited (A Wholly Owned Subsidiary of Kamdhenu Ventures Limited) and in consideration of the said demerger the Equity Shares of Kamdhenu Ventures Limited at the face value of ₹ 5 were issued and allotted to the shareholders of Kamdhenu Limited on 9th September, 2022 on mirror shareholding basis.

The Appointed date for the said demerger as per the Scheme of Arrangement was 1st April, 2022 and the Scheme of Arrangement has become effective from the 18th of July, 2022. The Company had received Relaxation of Rule 19(2)(b) of Securities Contracts (Regulations) Rules, 1957 on the Listing of Equity Shares from Securities Exchange Board of India on 2nd January, 2023 and further on receipt of the Listing and Trading Approval from both the Stock Exchanges that is BSE Limited(BSE) and National Stock Exchange of India Limited (NSE) on 20th January, 2023, the Equity Shares of your Company got listed on both the Stock Exchanges that is BSE Limited and National Stock Exchange of India Limited on 24th of January, 2023.

4. DIVIDEND

During the period under review, as the Company has incurred a net loss, the Directors of your Company have not recommended any dividend for the financial year 2022-23.

The Board of Directors of your Company had approved a Dividend Distribution Policy in their meeting held on 18th July, 2022. The Policy is available on the Company's website: https://kamdhenupaints.com/images/policies/KVL_Dividend_Distribution_Policy.pdf.

5. TRANSFER TO RESERVES

During the year under review, no amount was transferred to any of the reserves by the Company.

6. MATERIAL CHANGES AND FINANCIAL COMMITMENTS

During the Financial Year 2022-23, the Board of Directors of the Company had in their meeting held on 10th March, 2023, decided and approved for raising funds by way of issuing 45,00,000 Equity Shares of the face value of ₹ 5/- each, to the Proposed Qualified Institutional Buyers, on preferential basis, at a issue price of ₹ 145/- which

DIRECTORS' REPORT (Contd.)

includes a premium of ₹ 140/-, in terms of Chapter V of the SEBI (ICDR) Regulations, 2018, which was also approved by the Shareholders of the Company in their Extra-Ordinary General Meeting held on 6th April, 2023.

Further, the Board of Directors on 25th April, 2023, approved the allotment of the said equity shares to the Qualified Institutional Buyers and listing and trading approval for the said number of shares was received from NSE and BSE on 17th May, 2023 and trading of shares started from 18th May, 2023.

The Board of Directors of your Company has approved the redemption of the 40,01,582 9% Non – Cumulative Redeemable Preference Shares of ₹ 10/- each, which were issued pursuant to the Scheme of Arrangement as approved by Hon'ble National Company Law Tribunal. The 9% Non – Cumulative Redeemable Preference Shares were redeemed out of the proceeds of the Preferential Issue made to Qualified Institutional Buyers.

Apart from the information provided above or disclosures made elsewhere in the Directors' Report including Annexures thereof, there are no material changes and commitments affecting the financial position of the Company, which occurred between the end of the financial year of the Company i.e. 31st March, 2023 to which this financial statement relates and till the date of this Report.

7. SHARE CAPITAL

As at 31st March, 2023, the Authorized Share Capital of the Company stood at ₹ 19,55,00,000 (Rupees Nineteen Crore Fifty Five Lakhs Only) which comprises of ₹ 15,05,00,000/- (Rupees Fifteen Crore and Five Lakhs) Equity Share Capital divided into 3,01,00,000 (Three Crore and One Lakh) Equity Shares of ₹ 5 each and ₹ 4,50,00,000 (Rupees Four Crore and Fifty Lakhs Only) divided into 45,00,000 (Forty Five Lakhs) 9% Non – Cumulative Compulsorily Redeemable Preference Shares of ₹ 10 each and the Paid up Share Capital of your Company stood at ₹ 17,46,93,320 (Rupees Seventeen Crore Forty Lakhs Ninety Three Thousand Three Hundred Twenty) divided into 2,69,35,500 (Two Crore Sixty Nine Lakhs Thirty Five Thousand Five Hundred) Equity Shares of ₹ 5/- each and 40,01,582 (Forty Lakhs One Thousand Five Hundred Eighty Two) 9% Non – Cumulative Compulsorily Redeemable Preference Shares of ₹ 10 each.

During the period under review and till the date of

this report, following changes took place in the Share capital of the Company:

- The Board of Directors and Shareholders of the Company in their meeting held on 18th July, 2022 approved the Sub-Division of Authorized Share Capital of the Company in a manner that every 1 (one) equity share of ₹ 10 (Ten) each shall be divided into 2(Two) Equity Shares of ₹ 5 (Five) each and consequent to such subdivision the Authorized Share Capital of the Company was ₹ 5,00,000 (Rupees Five Lakh Only) divided into 1,00,000 (One Lakh) Equity Shares of ₹ 5 (Five) each.
- The Board of Directors and Shareholders of the Company in their meeting held on 18th July, 2022 approved the increase in the Authorized Share Capital of the Company from ₹ 5,00,000 (Five Lakhs) divided into 1,00,000 (One Lakh) Equity Shares of ₹ 5 (Five) each to ₹ 195,500,000/- (Rupees Nineteen Crore Fifty-Five Lakhs Only) comprising of ₹ 150,500,000/- (Rupees Fifteen Crore and Five Lakh) divided into 30,100,000 (Three Crore and One Lakh) Equity Shares having face value ₹ 5/- (Rupees Five) each of the Company and ₹ 45,000,000/- (Rupees Four Crore and Fifty Lakhs Only) divided into 4,500,000 (Forty-Five Lakhs) Preference Shares having face value ₹ 10/- (Rupees Ten) each of the Company.
- Changes that took place pursuant to Scheme of Amalgamation which became effective on 18th July, 2022 :
 - (a) The pre-Scheme issued and paid up share capital of the Company which consisted of 30,400 Equity Shares of ₹ 10 each was cancelled and 30,400 9% Non-cumulative Compulsorily Redeemable Preference Shares of ₹ 10 each were created, issued and allotted in place of the cancelled Equity Share capital of the Company on 20th July, 2022.
 - (b) The Company has issued and allotted 40,01,582 9% Non-cumulative Compulsorily Redeemable Preference Shares of ₹ 10 each in terms of Scheme of Arrangement to the shareholders of Transferor Company No. 1 to 7, and the said 9% Non-Cumulative Compulsorily Redeemable Preference Shares

DIRECTORS' REPORT (Contd.)

were redeemed by the Board of Directors on 27th April, 2023.

(c) Allotment of 2,69,35,500 Equity Shares of ₹ 5 each of Kamdhenu Ventures Limited to the Equity Shareholders of the Kamdhenu Limited, in the ratio of 1 (One) Equity Shares of ₹ 5 each for every 1 (One) Equity Share of ₹ 10 each held in Kamdhenu Limited.

- The Board of Directors in their meeting held on 10th March, 2023 and Shareholders of the Company in their Extra-Ordinary General meeting held on 6th April, 2023, approved the increase in Authorized Share Capital of the Company from the present ₹ 19,55,00,000 (Rupees Nineteen Crore Fifty Five Lakhs Only) to ₹ 24,55,00,000 (Rupees Twenty Four Crore and Fifty Five Lakhs Only) which comprises of ₹ 20,05,00,000/- (Rupees Twenty Crore and Five Lakhs) Equity Share Capital divided into 4,01,00,000 (Four Crore and One Lakh) Equity Shares of Face Value of ₹ 5/- (Rupees Five Only) each and ₹ 4,50,00,000 (Rupees Four Crore and Fifty Lakhs Only) divided into 45,00,000 (Forty Five Lakhs) Preference Share of Face Value of ₹ 10/- (Rupees Ten Only) each.
- The Board of Directors in their meeting held on 10th March, 2023 and Shareholders of the Company in their Extra-Ordinary General meeting held on 6th April, 2023, approved to create, offer, issue and allot on preferential basis up to maximum of 45,00,000 (Forty Five Lakhs Only) equity shares of the Company of the face value of ₹ 5/- (Rupees Five Only) each ("Equity Shares") at an price of ₹ 145/- (Rupees One Hundred Forty Five Only), which includes a premium of ₹ 140/- (Rupees One Hundred and Forty Only) per equity share on such other terms and conditions to the Qualified Institutional Buyers on preferential basis. Further, the Board of Directors on 25th April, 2023, approved the allotment of the said equity shares to the Qualified Institutional Buyers.

During the year under review, your Company has not issued any warrants, debentures, bonds, or any other convertible or non-convertible securities, any shares with differential voting rights, any stock options or sweat equity. The Company has not reduced its share capital and no shares have been bought back.

Further, pursuant to the approval of the members of the Company granted in their Extra-Ordinary General Meeting held on 6th April, 2023, the Authorized Share Capital of the Company has been increased to ₹ 24,55,00,000/- (Rupees Twenty Four Crore Fifty Five Lakhs) which comprises of 4,01,00,000 (Four Crore One Lakh) Equity Shares of ₹ 5 each and ₹ 45,00,000 Preference Shares of ₹ 10 each and the Company has issued and allotted 45,00,000 Equity Shares of ₹ 5 each at an issue price of ₹ 145 which includes premium of ₹ 140 to Qualified Institutional Buyers on Preferential Basis in terms of the Chapter V of SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018.

8. PUBLIC DEPOSITS

There were no outstanding deposits within the meaning of Sections 73 and 74 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014, as amended, at the end of financial year 2022-23. Your Company did not invite/ accept any deposits during the financial year 2022-23.

9. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of the loans given, guarantees extended or securities provided and the investments made by the Company, if any, in various bodies corporate in terms of the provisions of Section 186 of the Companies Act, 2013 and the rules framed thereunder have been adequately described in the notes to Financial Statements. The same are in consonance the provisions of the aforesaid section.

10. DIRECTORS AND KEY MANAGERIAL PERSONNEL

In order to create and propagate a greater level of stakeholder value, your Company seeks to have effectively functioning diversified Board where the knowledge, wisdom and strength of the Board from different areas and industries could be percolated towards all the levels of the Management of the Company, so as to create an environment full of growth and to adhere the Corporate Governance in spirit. During the period under review, there has been significant changes in the Board of your Company with a much experienced Board of Directors.

During the period under review, following changes took place in the Directors and Key Managerial Personnel of the Company:



DIRECTORS' REPORT (Contd.)

1. The Board of Directors of your Company, pursuant to the applicable provisions of Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2018, and subject to the approval of shareholders of the Company, in their meeting held on 18th July, 2022 had approved:
 - (a) Appointment of Shri Ramesh Chand Surana (DIN: 00089854) as an Additional Director in the category of Non-executive Independent Director of the Company for a period of 5 (Five) years from 18th July, 2022 to 17th July, 2027.
 - (b) Appointment of Shri Madhusudan Agarwal (DIN: 00338537) as an Additional Director in the category of Non-executive Independent Director of the Company for a period of 5 (Five) years from 18th July, 2022 to 17th July, 2027.
 - (c) Appointment of Smt. Nishal Jain (DIN: 06934656) as an Additional Director in the category on Non-executive Independent Woman Director for a period of 5 (Five) years from 18th July, 2022 to 17th July, 2027.

Further, the Shareholders of the Company in their Extra – Ordinary General Meeting held on 18th July, 2022, approved the appointments of Shri Ramesh Chand Surana, Shri Madhusudan Agarwal and Smt Nishal Jain as Independent Directors of the Company for a period of 5 (Five) years from 18th July, 2022 to 17th July, 2027.

2. On the recommendation of the Board, Shri Saurabh Agarwal (DIN: 00005970) was appointed as Managing Director of the Company, liable to retire by rotation, for a period of 3 (Three) years with effect from 1st June, 2022 to 31st May, 2025. Further the said appointment was approved by the Shareholders of the Company at the 3rd Annual General Meeting held on 15th July, 2022.
3. Re-designation of Shri Sunil Kumar Agarwal, Director of the Company as the Non-Executive Chairman of the Board and the Company with effect from 1st June, 2022.
4. In accordance with provisions of Section 152 of the Act read with the rules made thereunder and the Articles of Association of the Company, Shri Sunil Kumar Agarwal (DIN: 00005973), is liable to retire

by rotation at the 4th Annual General Meeting of the Company and being eligible, has offered himself for re-appointment. The Board recommends for his re-appointment in the ensuing AGM of the Company, based on the recommendation of Nomination and Remuneration Committee. The detailed profile along with the other details as mandated by the SEBI Listing Regulations for Shri Sunil Kumar Agarwal seeking appointment are given in the explanatory statement accompanying notice to the AGM and additionally in the Corporate Governance Report forming part of this Annual Report.

5. Pursuant to the provisions of Section 203 of Companies Act, 2013 read with applicable rules made thereunder appointment of Shri Nitin Misra, as Company Secretary & Compliance Officer and Shri Vineet Kumar Agarwal as Chief Financial Officer of the Company, in the category of Key Managerial Personnel of the Company was approved by the Board of Directors on 18th July, 2022 and 9th September, 2022, respectively.

Further, except as stated above there is no other change in the composition of Key Managerial Personnel of the Company

All the Independent Directors have given their declaration confirming that they meet the criteria of independence as prescribed Regulation 16(1)(b) and 25(8) of SEBI Listing Regulations and Section 149(6) of the Companies Act, 2013 read with Rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014 and the same has been noted by the Board of Directors

Further in compliance with the Circulars dated 20th June, 2018 issued by National Stock Exchange of India Limited and BSE Limited, the Company has also received a declaration from all the directors that they are not debarred from holding the office of Director by virtue of any SEBI order or by any other such statutory authority.

Presently, in terms of the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company are Shri Saurabh Agarwal, Managing Director, Shri Vineet Kumar Agarwal, Chief Financial Officer and Shri Nitin Misra, Company Secretary and Compliance Officer of the Company.

DIRECTORS' REPORT (Contd.)

11. COMPANY'S POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS

In view of the Scheme of Arrangement, the Company got listed with National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). Therefore as per listing requirements, the Company needs to comply with the Corporate Governance requirements of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and in pursuance of which the Board of your Company, in terms of Section 178 of Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligation & Disclosures Requirements) Regulations, 2015, as amended, has constituted the Nomination and Remuneration Committee in its meeting held on 18th July, 2022.

In accordance with the applicable provisions of Companies Act, 2013 and SEBI (Listing Obligation & Disclosures Requirements) Regulations, 2015 and based on the recommendations of the Nomination and Remuneration Committee (NRC), the Board has approved the Nomination & Remuneration Policy for Directors, Key Managerial Personnel ("KMPs") and Senior Management Personnel of the Company.

The Nomination & Remuneration policy is aimed to cultivate a culture that is sufficient enough to attract, retain and motivate Directors, Key Managerial Personnel and Senior Management Personnel of the quality required to efficiently manage the Company successfully and also to ensure that the relationship between remuneration and performance is clear and meets appropriate performance benchmarks. The Company's Policy for the appointment of Directors, KMPs and Senior Managerial Personnel and their Remuneration policy can be accessed on the Company's website at the web-link https://kamdhenupaints.com/images/policies/KVL_Nomination%20and%20Remuneration%20Policy.pdf.

Furthermore, if a person is sought to be appointed as an independent director, the policy seeks to ensure that the proposed appointee fulfills the criteria for independence as laid down under the Act and the SEBI Listing Regulations.

Remuneration for directors including Independent Directors, KMPs and Senior Management Personnel, was drawn up in consonance with the tenets as laid down in the Nomination & Remuneration Policy, which seeks to ensure that it is commensurate with the

nature and size of the business and operations of the Company. The concerned individuals are remunerated (including sittings fees) in a manner, depending upon the nature, quantum, importance and intricacies of the responsibilities and functions being discharged and also the standards prevailing in the industry and those chosen for such offices are people with the best of knowledge of talent and rich in experience.

12. MEETINGS OF THE BOARD OF DIRECTORS.

During the year under review, 13 (Thirteen) meetings of the Board of Directors of the Company were held. The details as to Composition of the Board, committees, and the dates of meetings and the attendance thereof of various directors of the Company, have been provided separately in the Corporate Governance Report, forming the part of this Annual Report.

Additionally, a meeting of the Independent Directors of the Company was held on 15th March, 2023, with the participation of all Independent Directors of the Company at the meeting.

13. CORPORATE GOVERNANCE

The Company is committed towards robust corporate governance practices wherein compliance of various laws in letter as well as in spirit are the utmost priorities of the Management. The management of your Company is sure that the ethical values and the legacy of wisdom that they have created and percolated since years of experience at Kamdhenu Group would prove to be a benchmark for the Good Corporate Governance at Kamdhenu Ventures Limited.

Pursuant to the Regulation 34 of SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015 read with Schedule V thereto, a detailed report on Corporate Governance is included in this Annual Report. Further, requisite certificate from M/s. Chandrasekaran Associates, Practicing Company Secretaries certifying the Company's compliance with the requirements of Regulations as set out in the SEBI Listing Regulations, is attached to the report on Corporate Governance.

14. MANAGEMENT DISCUSSION & ANALYSIS

In terms of the provisions of Regulation 34(2)(e) of the SEBI Listing Regulations, the Management's Discussion and Analysis Report covering the performance and outlook of the Company is presented in a separate section forming part of this Report.



DIRECTORS' REPORT (Contd.)

15. DETAILS OF ESTABLISHMENT OF THE VIGIL MECHANISM / WHISTLE BLOWER POLICY

In line with the requirements under Section 177(9) & (10) of the Act and Regulation 22 of the SEBI Listing Regulations, the Company has in place a Vigil Mechanism and formulated a Whistle Blower Policy in order to provide, a formal channel to all its Directors, employees and other stakeholders including customers, to approach the Chairman of the Audit Committee and a path for making protected disclosures about the unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. Your Company hereby affirms that no person is denied access to the Chairman of the Audit Committee.

The Whistle-blower Policy and Company's Code of Conduct encourage to promptly report any actual or possible violation of any event that he or she becomes aware of, that could affect the business or reputation of the Company. The Company confirms that no complaint has been received through the said mechanism which pertains to the nature of complaints sought to be addressed through this platform.

The Whistle Blower Policy is available on the website of the Company www.kamdhenupaints.com at: https://www.kamdhenupaints.com/images/policies/KVL_Whistle%20Blower%20Policy%20and%20Vigil%20Mechanism.pdf

16. RISK MANAGEMENT POLICY

Pursuant to the Regulation 21 of the SEBI Listing Regulations, as amended upto date, the Board of Directors of the Company at their meeting held on 18th July, 2022 has constituted a Risk Management Committee, inter-alia to frame, implement, monitor the Risk Management Policy in the Company and to monitor and evaluate risks, identify the risk areas in the operations along with severity of the risks and prepare the mitigation plan. The Company has put in place an effective Risk Management Framework that comprise of mainly three components: Risk Governance, Risk identification and Risk Assessment and Control.

The Risk Management Policy also covers a framework for identification of internal and external risks, risk mitigation measures, business continuity plan, ensure that appropriate methods are in place to monitor and evaluate risks, the risks which the employees of the Company may get exposed to, the risks arising out

of non-compliance if any, with the provisions of and requirements laid down under various applicable statutes, etc.

The policy has been uploaded on the website of the Company and can be accessed at the web link https://kamdhenupaints.com/images/policies/KVL_Risk%20Management%20Policy.pdf.

17. INTERNAL FINANCIAL CONTROL SYSTEMS & THEIR ADEQUACY

Your Directors have an overall responsibility to ensure that the Company has implemented a well embedded framework of internal financial controls. The Company's internal financial control systems are commensurate with its size, scale, complexity of its operations and nature of its operations and such internal financial controls are adequate and are operating effectively. It ensures compliance with all applicable laws and regulations and facilitates optimum utilization of available resources and protects the interests of all stakeholders.

The Company's Internal Control framework also includes entity-level policies, processes controls, IT general controls and Standard Operating Procedures (SOPs). The entity-level policies include code of conduct, COC for Senior Management Personnels, whistle blower policy and other policies such as code on fair disclosure of UPSI, COC to Regulate, Monitor and Report Trading by Designated Persons, Human Resource policy. The internal control framework has been designed to provide reasonable assurance with respect to recording and providing reliable financial and operational information, complying with applicable laws, safeguarding assets from unauthorized use, executing transactions with proper authorization and ensuring compliance with corporate policies and prevention and detection of frauds and errors. These internal controls are, on yearly basis, reviewed by Auditors and the Audit Committee of the Company.

M/s DMRN & Associates, Chartered Accountants have been entrusted with the responsibility of undertaking Internal Audit of the Company for the financial year 2022-23. The Internal Audit Reports as prepared by M/s DMRN Associates are placed, discussed and deliberated upon every quarter by the Audit Committee and the Board of Directors. The Internal Auditors have a direct access and reports directly to the Audit Committee of the Company.

DIRECTORS' REPORT (Contd.)

18. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSEDBY THEREGULATORS/COURTS/TRIBUNALS

During the year under review, Hon'ble National Company Law Tribunal, Chandigarh Bench, vide its order dated 3rd June, 2022 approved the Scheme of Arrangement and pursuant to the approval, the Paint Business of Kamdhenu Limited was demerged into Kamdhenu Colour and Coatings Limited, a wholly owned subsidiary of your Company.

Pursuant to the sanctioning of the Scheme of Arrangement the demerged undertaking i.e paint business of Kamdhenu Limited was vested and transferred to Kamdhenu Colour and Coating Limited (A Wholly Owned Subsidiary of Kamdhenu Ventures Limited) and in consideration of the said demerger the Equity Shares of Kamdhenu Ventures Limited were issued and allotted to the shareholders of Kamdhenu Limited on mirror shareholding basis.

Apart from the aforesaid, during the year under review, no significant and material orders have been passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in the future.

19. ANNUAL RETURN

In Compliance with the provision of Section 92(3) and Section 134(3)(a) of the Companies Act, 2013, the Copy of Annual Return in Form MGT-7 as on 31st March, 2023, is placed on the website of the Company at <https://www.kamdhenupaints.com/annual-return>.

20. DECLARATION BY INDEPENDENT DIRECTORS

The Company has also received declarations from the Independent Directors to the effect that:

- (a) they fulfill the criteria for independence as laid down under Section 149(6) of the Act and the rules framed thereunder, read with Regulation 16(1)(b) of the SEBI Listing Regulations, as amended upto date ("Listing Regulations");
- (b) that they have got themselves registered in the data bank for Independent Directors being maintained by the Indian Institute of Corporate Affairs (IICA), of the Ministry of Corporate Affairs, Government of India and their names are included in the data bank maintained by IICA;

- (c) they are not aware of any circumstance or situation, existing or anticipated, which may impact or impair their ability to discharge duties;
- (d) that they have complied with the Code for Independent Director prescribed in Schedule IV to the Act which forms a part of the Company's Code of Conduct for Directors and Senior Management Personnel, to which as well, they affirm their compliance.

The Board of Directors of your Company are fully satisfied with the integrity, expertise and experience (including the proficiency) of all the Independent Directors appointed on the Board during the year under review.

Based on the declarations received, none of the Independent Directors served as an Independent Director in more than seven listed entities as on 31st March, 2023 and the necessary disclosure providing details of Committee Chairmanship/ membership of the Independent Directors has also been obtained.

21. FAMILIARIZATION PROGRAMME FOR THE INDEPENDENT DIRECTORS

Your Company has designed a familiarization programme for its Independent Directors with an aim to provide insights into the working of the Company to enable the Independent Directors to understand its business in depth and contribute significantly. The familiarization programme are imparted annually to the Independent Directors to acclimatize them with the processes that have been adopted and changes in the modus operandi, if any. Pursuant to Regulation 25(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company makes detailed presentations to the Independent Directors, on the Company's operation and business plans, the nature of industry in which Company operates, and model of respective businesses, major risks involved and risk management strategy of the Company. The Company also organized visits to plant and other necessary locations, from time to time, to enable Independent Directors, to understand the business of the Company in a better way. Further, the Company also provides periodic insights and updates to the entire Board, including Independent Directors and other Non-



DIRECTORS' REPORT (Contd.)

Executive Directors, regarding business, innovations, strategies adopted, human capital management etc.

The Independent Directors are made aware with their duties, role and responsibilities at the time of their appointment/reappointment through a formal letter of appointment which stipulates various terms and conditions of their engagement apart from clarifying their roles and responsibilities. The terms of appointment of Independent Directors are also placed on the website of the Company at https://www.kamdhenupaints.com/images/policies/KVL_Terms%20and%20Conditions%20for%20appointment%20of%20Independent%20Directors.pdf.

Further, in line with the policy of the Company as framed in this regard and in compliance with the requirements of the SEBI Listing Regulations, a familiarization programme for Independent Directors of the Company was conducted on 15th March, 2023, wherein all the Independent Director have participated aptly. The details of familiarization program imparted to the Independent Directors are available on the website of the Company and can be viewed at the web link: https://www.kamdhenupaints.com/images/policies/KVL_Familiariation%20Program%20for%20Independent%20Directors.pdf.

22. PERFORMANCE EVALUATION OF THE BOARD OF DIRECTORS, ITS COMMITTEE AND INDIVIDUAL DIRECTORS

Pursuant to the Provisions of Section 134,178 and Schedule IV of Companies Act, 2013 read with applicable rules and Regulation 17 and 25 of SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015, Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India and Guidance Note on Performance Evaluation by Institute of Company Secretaries of India, the Nomination and Remuneration Committee of the Company has devised a criteria for Performance Evaluation of the Board as a Whole, Individual Directors, Committees, Chairperson and Independent Directors.

In compliance with the requirement of the Companies Act, 2013 and the SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015, as amended from time to time, the Board of Directors on annual basis evaluates the functioning of the Board as a whole, its Committees, Chairman, individual Directors and the Independent Directors.

The Board as a whole and the committee thereof were being evaluated on various parameters including but not limited to their compositions, experience, qualifications, diversity, roles and responsibility of each and every directors towards Stakeholders, strategic participation, governance compliances, culture and dynamics and quality of relationship between Board Members and the Management.

The Individual Directors including the Chairman and Independent Directors are also evaluated on the basis of their qualifications, experience, knowledge and their competency and while evaluating the performance of each and every Director individually, the Board also give utmost check to their ability to work as team, commitment towards the functions assigned, contribution and availability at Board Meeting and other business matters etc.

In a separate meeting of the Independent Directors held on 15th March, 2023, the performance of the Non-Independent Directors, the Board as a whole and Chairman of the Company were evaluated taking into account the views of Executive Directors and other Non-Executive Directors. Further, the Performance Evaluation as required was performed by the Board of Directors at their meeting held on 18th May, 2023.

The review, concluded by affirming that the Board as a whole, the Committee(s), Chairman and the individual Director continued to display a commitment to good governance by ensuring a constant improvement of processes and procedures and contributed their best in the overall growth of the organization and the Independent Directors have outperformed on all the criteria of Independence and their participation from the strategic point of view was commended and appreciated by all.

23. STATUTORY AUDITORS AND THEIR REPORT

M/s B S D & Co. Chartered Accountants, Statutory Auditor of the Company due to their pre-occupations in other assignment, has vide their letter dated 14th June, 2022 tendered their resignation and thereafter pursuant to the provisions of Section 139(8), 142 the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s M.C. Bhandari & Co., Chartered Accountants (Registration no.: 303002E), was appointed as the Statutory Auditors of the Company, by the Board of Directors in their meeting

DIRECTORS' REPORT (Contd.)

held on 6th July, 2022, to hold office till the conclusion of 3rd Annual general Meeting of the Company, to fill the casual vacancy caused due to the resignation of M/s B S D & Co, Chartered Accountants, (ICAI Firm Registration No. 000312S).

Further, upon the recommendation of the Audit Committee and the Board of Directors, M/s M.C. Bhandari & Co., Chartered Accountants (Registration no.: 303002E), was appointed as the Statutory Auditors of the Company by the Shareholders of the Company at their 3rd Annual General Meeting held on 15th July, 2022, for a period of 5 consecutive years, so as to hold office as such from the conclusion of the 3rd Annual General Meeting till the conclusion of the 8th Annual General Meeting, as the Auditors of the Company.

The report of the M/s M.C. Bhandari & Co., Chartered Accountants (Registration no.: 303002E), Statutory Auditors on Standalone and Consolidated Financial Statements for the financial year 2022-23 forms part of the Annual Report which are self-explanatory and do not call for any further comment and the said report does not contain any qualification, reservation, disclaimer or adverse remark and they have not reported any incident of fraud pursuant to the provision of Section 143(12) of the Act, accordingly, no such details are required to be reported under Section 134(3)(ca) of the Act.

24. SECRETARIAL AUDITORS AND THEIR REPORT

The Board of Directors of the Company had appointed M/s Chandrasekaran Associates, Company Secretaries as the Secretarial Auditors of the Company to undertake its Secretarial Audit for the financial year ended 31st March, 2023 as per the provisions of Section 204 of the Companies Act, 2013 read with rules made thereunder. Further, pursuant to Regulation 24A of SEBI Listing Regulations, Secretarial Audit of Kamdhenu Colour and Coatings Limited, material subsidiary of the Company, have also been undertaken.

The Secretarial Audit Report alongwith Secretarial Compliance Report of the Company and of Kamdhenu Colour and Coatings Limited for the financial year ended 31st March, 2023 is annexed to this Annual Report as **Annexure-A** and does not contain any qualification, reservation, disclaimer or adverse remarks.

Also pursuant to the provisions of Regulation 24A of the SEBI Listing Regulations read with SEBI Circulars issued in this regard, the Annual Secretarial Compliance

Report duly signed by M/s Chandrasekaran Associates, Company Secretaries, has also been submitted to the Stock Exchanges within 60 days of the end of the financial year and also forms a part of the Annual Report .

25. COST AUDITORS AND THEIR REPORT

Maintenance of Cost Records and the requirement of the Audit of the Cost Statements as mandated in Section 148 of Companies Act, 2013 is not applicable on the business activities carried out by the Company.

26. COMMITTEES OF THE BOARD OF DIRECTORS

As on date of report, the Board of Directors has constituted 5 (Five) committees, namely,

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Risk Management Committee
- Management Committee

Details of composition, the number of meetings held and attendance of various members at such meetings for the Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Risk Management Committee are provided in the Corporate Governance Report, which forms part of this Report.

27. AUDIT COMMITTEE

The Board of Directors of your Company has constituted the Audit Committee on the 18th July, 2022 and the terms of reference of the Audit Committee are in line with the regulatory requirements as provided in the Companies Act, 2013 and as provided in the SEBI Listing Regulations.

As at 31st March, 2023 the Audit Committee comprised of four members out of which three are Independent Directors and one is Executive Director. Shri Madhusudan Agarwal, Independent Director is the Chairman of the Committee and Shri Ramesh Chand Surana, Smt. Nishal Jain, Independent Directors and Shri Saurabh Agarwal, Managing Director are the other members of the Committee. A detailed description of the Audit Committee and its scope of responsibility and powers and the number of Audit Committee meetings held during the year under review, is set out in the



DIRECTORS' REPORT (Contd.)

Corporate Governance Report, which forms a part of this Report.

Further all the recommendations made by the Audit Committee were accepted by the Board.

28. CORPORATE SOCIAL RESPONSIBILITY

During the year under review, the provisions of Section 135 of the Companies Act, 2013 were not applicable to the Company. Thus requirements for Annual report on CSR activities is not applicable to the Company for the year 2022-23.

However it would be pertinent to mention here that position of Kamdhenu Group in today's date is the result of assimilation of love, affection, liking and acceptance received from society. We Kamdhenu Ventures Limited take it to be our responsibility to reciprocate this warmth by bringing about positive changes in the society. Although the requirements as provided by law are not applicable on the Company for the year under review but we endeavor to serve the society being a part of the Kamdhenu Group.

29. COMPLIANCE WITH THE SECRETARIAL STANDARDS

During the year under review, the Company has complied with all applicable Secretarial Standards on meetings of the Board of Directors ('SS-1') and the Secretarial Standard on General Meetings ('SS-2'), as stipulated by the Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.

30. LISTING WITH STOCK EXCHANGES

The shares of the Company are listed on BSE Limited and National Stock Exchange Limited. The Annual Listing fee payable to the said stock exchanges, has been duly paid. The Shares of the Company have got listed on both the Stock exchanges as aforesaid on the 24th of January, 2023.

31. INFORMATION REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as stipulated under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules 2014 is annexed as **Annexure-B** and forms part of this Report.

32. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURE

The Statement containing the particulars of employees as required under section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable rules (if any), is provided in **Annexure - C** forming part of this report.

33. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

In due compliance with the requirements of the Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, read with Section 188 of the Companies Act, 2013 and the Rule 6A and Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended upto date, Board of Directors in their meeting held on 18th July, 2022, approved a policy on the Related Party Transaction including material transactions, which is to be followed in letter and spirit. The policy is available on the website of the Company at the web link: https://kamdhenupaints.com/images/policies/KVL_Policy%20on%20Related%20Party%20Transactions.pdf.

During the year under review, all the related party transactions entered into by the Company were made with the prior approval of the Audit Committee. All such transactions were at an arms -length basis and in the ordinary course of business of the Company and pursuant to Omnibus approval so granted by Audit Committee and Board in its respective meetings and details of such transactions have been adequately described in the Note No. 23 to the financial statements of the Company for the financial year 2022-23, which forms a part of the Annual Report.

The details of the transactions with the related parties are provided in the accompanying financial statements. The Company has not entered into any material related party transaction and all transaction entered into by the Company with related party were at arm's length price in terms of the provision of Section 188 of the Companies Act, 2013 during the period under review. Accordingly, there were no transactions which required to be reported in Form AOC-2 annexed as **Annexure-D** as per the Section 134(3)(h) read with Section 188(2) of the Companies Act, 2013.

DIRECTORS' REPORT (Contd.)

34. SUBSIDIARY, JOINT VENTURES OR ASSOCIATE COMPANIES

As on 31st March, 2023, the Company has 1 subsidiary Company namely Kamdhenu Colour and Coatings Limited. During the year under review, the Company have not entered into any Joint Venture Agreement and thus the Company does not have any Joint venture or associate company as on 31st March, 2023.

In accordance with Section 129(3) of the Act and Indian Accounting Standard (IND AS)-110 on Consolidated Financial Reporting, the Company has prepared its Consolidated Financial Statements along with its subsidiary, in the same form and manner, as that of the Company, which shall be laid before the shareholders at ensuing 4th Annual General Meeting along with its Standalone Financial Statement. The Consolidated Financial Statements of the Company along with its subsidiary, for the year ended 31st March, 2023, forms part of this Annual Report.

The Audit Committee reviews the unaudited/ audited financial statements of subsidiary company on quarterly basis. Further, the committee periodically reviews the performance of subsidiary company. The minutes of the board meetings of the Kamdhenu Colour and Coatings Limited along with significant transactions and arrangements, if any, entered into by the Company are placed before the board on a quarterly basis. The board is periodically apprised of the performance of subsidiary company, including material developments, if any.

For the performance and financial position of Subsidiary Company, included in its Consolidated Financial Statements, the Members are requested to refer to Note No. 46 of the Notes to the Accounts, of Consolidated Financial Statements of the Company and statement pursuant to first proviso to subsection (3) of section 129 of the Companies Act 2013, read with rule 5 of Companies (Accounts) Rules, 2014 relating to Statement containing salient features of the financial statements of subsidiary has been attached as **Annexure-E** to this report and forms part of the financial statements in the prescribed **Form AOC - 1**. Further pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited accounts in respect of subsidiaries, are also available on the website of the Company at <https://kamdhenupaints.com/subsidiary-financials>.

35. HUMAN RESOURCES MANAGEMENT

The relations amongst the management, employees and the workers of the Company remained cordial and the management of your Company considers its human resource strength as the most pivotal for the growth of the Company. The Company's human resource strategy is formulated considering people as its most valuable asset.

The Company considers and appreciates the value of the human resource talent and strives towards talent acquisition, talent retention, performance management and learning and training initiatives to ensure that your Company consistently develops into a much inspiring, strong and employee orientated organization. Your Company nurtures a culture of trust and mutual respect in all its employees and seeks to ensure that company's values and principles are understood by all and are the reference point in all people matters.

The Company maintained healthy, cordial and harmonious industrial relations at all levels. Company remained at the forefront in the industry due to enthusiasm and continuous efforts of employees. Various measures have been introduced throughout the organization to improve productivity at all levels. At the end of the financial year that is as on the 31st March, 2023, the Company was having 3 Permanent Employees. Pursuant to sanctioning of the scheme of Arrangement, the transfer of Paint Business from Kamdhenu Limited to Kamdhenu Colour and Coatings Limited was effected on 18th July, 2022 and 386 employees of paint division were transferred to KCCL and 3 employees were transferred to Kamdhenu Ventures Ltd.

36. PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE

The Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder and in order to ensure this in all its strictness, the Company has in place an Internal Complaints Committee, the constitution whereof, is in complete compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention,



DIRECTORS' REPORT (Contd.)

Prohibition and Redressal) Act, 2013. The Company's policy on Prevention Of Sexual Harassment at workplace is available at : https://www.kamdhenupaints.com/images/policies/KVL_Policy%20On%20Prevention%20Of%20Sexual%20Harassment%20At%20Workplace.pdf.

The Sexual Harassment Policy of the Company has been effectively promoted and propagated an environment and culture in the Company which inculcates in the male employees, a spirit of utmost respect for the women workforce at every level. The Company has also formulated a set of standing orders which stipulate very harsh punitive measures against any employee found guilty of having or attempting to have sexually harassed a female employee, which without prejudice to the other actions taken against the offender, include immediate termination of his services. The fact that safety and security of the women workforce in the Company has been an area given the paramount importance in the Company explains why the Company can proudly boast or being among the safest work places for women in the Country.

As has been the case in the previous years, during the year under review as well, no complaints under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2015, were received.

37. CHANGE IN NATURE OF BUSINESS

During the year under review, Hon'ble National Company Law Tribunal, Chandigarh Bench, vide its order dated 3rd June, 2022 had approved the demerger of the Paint Business from Kamdhenu Limited to Kamdhenu Colour and Coatings Limited, a wholly owned subsidiary of your Company.

Upon the Scheme of Arrangement, becoming effective, the paint business of Kamdhenu Limited was vested and transferred to Kamdhenu Colour and Coatings Limited (A Wholly Owned Subsidiary of Kamdhenu Ventures Limited). Although there has not been any change in nature of the Business, however the said demerger has been crucial point in the growth of the Company as the shares of the Company have been listed on Stock Exchanges.

38. CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT

In compliance with Regulation 26(3) of SEBI Listing Regulations, the Company has formulated the Code

of Conduct for the Board members and Senior Management Personnel of the Company so that the Company's business is conducted in an efficient and transparent manner without having any conflict of personal interests with the interests of the Company.

All the members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct for the Board members and Senior Management Personnel and the code of conduct is available at the website of Company https://kamdhenupaints.com/images/policies/KVL_Code_of_Conduct_Senior_Management_Personnel.pdf.

39. DECLARATION BY THE MANAGING DIRECTOR

In terms of Regulation 26 of SEBI Listing Regulations, Shri Saurabh Agarwal, Managing Director hereby affirm and declare that the Company has obtained declaration from each individual member of the Board of Directors and the Senior Management confirming that none of them has violated the conditions of the Code of Conduct for the Board members and Senior Management Personnel.

40. RELATIONSHIP BETWEEN DIRECTORS INTER-SE

Shri Sunil Kumar Agarwal, Chairman, Shri Saurabh Agarwal, Managing Director and Shri Sachin Agarwal, Non-Executive Director of the Company are related to each other within the meaning of the term "relative" as per Section 2(77) of the Companies Act, 2013 and SEBI Listing Regulations.

Except as stated above, none of the Directors are related to each other.

41. DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and belief, confirms that:

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records

DIRECTORS' REPORT (Contd.)

in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- d) They have prepared the annual accounts on a going concern basis;
- e) They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively.
- f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and the reviews from management and audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2022-23.

42. PROCEEDING UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016

During the year under review, the Company has neither made any application nor any proceeding were pending under the Insolvency and Bankruptcy Code, 2016 ("IBC Code"). Further, at the end of the financial year, Company does not have any proceedings related to IBC Code

43. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

During the year under review, the Company has not made one-time settlement therefore, the same is not applicable.

44. GREEN INITIATIVE

The Company has implemented the "Green Initiative" to enable electronic delivery of notice/documents/ annual reports to shareholders. The Annual Report for the financial year 2022-23 and Notice of the 4th Annual General Meeting are being sent to all members electronically, whose e-mail addresses are registered with the Company/Depository Participant(s). The Shareholders may however make request for physical copy of the Annual Report by mail to cs@kamdhenupaints.com.

Further, letters have been sent to shareholders of the Company holding shares of the Company in physical form in Compliance to SEBI Circular dated 16th March, 2023, requesting them to furnish requisite KYC details, so that faster communications can be made to the shareholders in electronic form.

The e-voting facility is being provided to the members to enable them to cast their votes electronically on all resolutions set forth in the notice, pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014. The instructions for e-voting are provided in the notice of this 4th AGM.

45. APPRECIATION

The Board wishes to place on record its appreciation of the significant contributions made by the employees of the Company during the year under review. The Company has achieved impressive growth through competence, hard work, solidarity, cooperation and support of employees at all levels. Your Directors thank the customers, dealers, distributors, franchisee partners, vendors and other business associates for their continued support in the Company's growth.

Your Directors also wish to thank the Government of India, the State Governments and other regulatory authorities, banks and members for their cooperation and support extended to the Company.

BY ORDER OF THE BOARD OF DIRECTORS
KAMDHENU VENTURES LIMITED

(Sunil Kumar Agarwal)

Chairman

DIN: 00005973

(Saurabh Agarwal)

Managing Director

DIN: 00005970

Date: 18.05.2023

Place: Gurugram



ANNEXURE - A

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Kamdhenu Ventures Limited
2nd Floor, Tower A, Building No. 9,
DLF Cyber City, Phase-III, Gurugram,
Haryana-122002

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Kamdhenu Ventures Limited (hereinafter called as the "**Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period from the date of listing of its Equity Shares on 24th January, 2023 till 31st March, 2023 ("**audit period under review**") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of

Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ('SAST Regulations');
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ('PIT Regulations');
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not Applicable.**
 - e) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **Not Applicable.**
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not Applicable.**
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable.**
- (vi) As informed and certified by the management of the Company, there is no sectorial law specifically applicable to the Company based on their Sectors/ Industry.

We have also examined compliance with the applicable clauses/ Regulations of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.

ANNEXURE - A (Contd.)

(ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above except delay in filing of few forms.

We further report that, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance (except in cases where meetings were convened at a shorter notice for which necessary approvals obtained as per applicable provisions), and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously or with requisite majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the Company has following specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

1. The Hon'ble National Company Law Tribunal, Chandigarh Bench on 3rd June, 2022 has approved the Scheme of Arrangement with the appointed date 1st April, 2022 which provides for Amalgamation of Kamdhenu Concast Limited, Kamdhenu Overseas Limited, Kamdhenu Paint Industries Limited, Kamdhenu Infra developers Limited, Kamdhenu Nutrients Private Limited, Kay2 Steel Limited, Tiptop Promoters Private Limited (Transferor Companies 1 to 7), with Kamdhenu Limited (Transferee Company), and De-merger of Paint Business (the Demerged Business) of Kamdhenu Limited (the Transferee Company) into

Kamdhenu Colour and Coatings Limited (the Resulting Company No 2) and issue of shares by Kamdhenu Ventures Limited (the Resulting Company No. 1) to the Shareholders of Kamdhenu Limited in consideration of the said de-merger.

2. The Board of Directors and Shareholders of the Company in their meeting held on 18.07.2022, approved the Sub-Division of Authorized and Paid-Up Share Capital of the Company and consequential amendment in Memorandum of Association of the Company and after such amendment the Authorized Share Capital of the Company is ₹ 5,00,000 (Rupees Five Lakh Only) divided into 1,00,000 (One Lakh) Equity Shares having face value ₹ 5 (Rupees Five) each.
3. The Board of Directors and Shareholders of the Company in their meeting held on 18.07.2022, approved the Increase in the Authorized Share Capital of the Company and consequential amendment in Memorandum of Association of the Company and after such amendment, the Authorized Share Capital of the Company is ₹ 195,500,000/- (Rupees Nineteen Crore Fifty-Five Lakhs Only) which comprises of ₹ 150,500,000/- (Rupees Fifteen Crore and Five Lakh) divided into 30,100,000 (Three Crore and One Lakh) Equity Shares having face value ₹ 5/- (Rupees Five) each and ₹ 45,000,000/- (Rupees Four Crore and Fifty Lakhs Only) divided into 4,500,000 (Forty-Five Lakhs) Preference Shares having face value ₹ 10/- (Rupees Ten) each.
4. The Board of Directors and Shareholders of the Company in their meeting held on 18.07.2022, approved the adoption of New set of Articles of Association of the Company in conformity with the Companies Act, 2013, SEBI (LODR), 2015, And Securities Contracts (Regulation) Act, 1956, as the Articles of Association of the Company in the place and in exclusion and substitution of the entire existing Articles of Association of the Company.
5. The Board of Directors in their meeting held on 18th July, 2022, approved cancellation of the 30,400 Equity Shares of Face Value of ₹ 10/- each aggregating to ₹ 3,04,000, in terms of Scheme of Arrangement.
6. The Board of Directors on 20.07.2022, approved allotment of 40,01,582 (Forty Lakhs One Thousand Five Hundred and Eighty-Two only) 9% Non-Cumulative Compulsorily Redeemable Preference Shares of ₹ 10 each of the Company, in terms of Scheme



ANNEXURE - A (Contd.)

of Arrangement and the said 9% Non-Cumulative Compulsorily Redeemable Preference Shares were redeemed by the Board of Directors on 27th April, 2023.

7. The Board of Directors in their meeting held on 9th September, 2022, approved the allotment of 2,69,35,500 Equity Shares of ₹ 5 each of Kamdhenu Ventures Limited to the Equity Shareholders of the Kamdhenu Limited, in the ratio of 1 (One) Equity Shares of ₹ 5 each for every 1 (One) Equity Share of ₹ 10 each held in Kamdhenu Limited pursuant to scheme of arrangement and for the same the listing approval was received from BSE Limited on 3rd November, 2022 and from National Stock Exchange of India Limited on 7th November, 2022 and trading approval for the said number of shares was received from NSE and BSE on 20th January, 2023 and trading of shares started from 24th January, 2023.
8. The Board of Directors in their meeting held on 10th March, 2023 and Shareholders of the Company in their Extra-Ordinary General meeting held on 6th April, 2023, approved the increase in Authorized Share Capital of the Company from the present ₹ 19,55,00,000 (Rupees Nineteen Crore Fifty Five Lakhs Only) to ₹ 24,55,00,000 (Rupees Twenty Four Crore and Fifty Five Lakhs Only) which comprises of ₹ 20,05,00,000/- (Rupees Twenty

Crore and Five Lakhs) Equity Share Capital divided into 4,01,00,000 (Four Crore and One Lakh) Equity Shares of Face Value of ₹ 5/- (Rupees Five Only) each and ₹ 4,50,00,000 (Rupees Four Crore and Fifty Lakhs Only) divided into 45,00,000 (Forty Five Lakhs) Preference Share of Face Value of ₹ 10/- (Rupees Ten Only) each.

9. The Board of Directors in their meeting held on 10th March, 2023 and Shareholders of the Company in their Extra-Ordinary General meeting held on 6th April, 2023, approved to create, offer, issue and allot on preferential basis up to maximum of 45,00,000 (Forty Five Lakhs Only) equity shares of the Company of the face value of ₹ 5/- (Rupees Five Only) each ("Equity Shares") at an price of ₹ 145/- (Rupees One Hundred Forty Five Only), which includes a premium of ₹ 140/- (Rupees One Hundred and Forty Only) per equity share on such other terms and conditions to the Qualified Institutional Buyers on preferential basis. Further, the Board of Directors on 25th April, 2023, approved the allotment of the said equity shares to the Qualified Institutional Buyers and listing and trading approval for the said number of shares was received from NSE and BSE on 17th May, 2023 and trading of shares started from 18th May, 2023.

For **Chandrasekaran Associates**

Company Secretaries

FRN: P1988DE002500

Peer Review Certificate No.: 1428/2021

Sachin Sapra

Partner

Membership No. F5831

Certificate of Practice No. 5894

UDIN: F005831E000318550

Date: 18.05.2023

Place: Delhi

Note:

1. This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.
2. We have conducted the secretarial audit by examining the Secretarial Records including Minutes, Documents, Registers and other records etc., and some of them received by way of electronic mode from the Company and could not be verified from the original records. The management has confirmed that the records submitted to us are true and correct. This Report is limited to the Statutory Compliances on laws / regulations / guidelines listed in our report of which, the due date has been ended/expired on or before 31st March, 2023 pertaining to Financial Year 2022-23.

ANNEXURE I

To,

The Members

Kamdhenu Ventures Limited

2nd Floor, Tower A, Building No. 9,
DLF Cyber City, Phase-III, Gurugram,
Haryana-122002

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Chandrasekaran Associates**

Company Secretaries

FRN: P1988DE002500

Peer Review Certificate No.: 1428/2021

Sachin Sapra

Partner

Membership No. F5831

Certificate of Practice No. 5894

UDIN: F005831E000318550

Date: 18th May, 2023

Place: Delhi



Form No. MR-3

**SECRETARIAL AUDIT REPORT OF MATERIAL SUBSIDIARY COMPANY
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members

Kamdhenu Colour and Coatings Limited

2nd Floor, Tower-A, Building No-9
DLF Cyber City, Phase-III,
Gurgaon - 122002, Haryana

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Kamdhenu Colour and Coatings Limited (hereinafter called as the **"Company"**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31st March, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **Not Applicable**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent applicable;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings to the extent applicable;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): **Not Applicable during the period under review**

- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ('SAST Regulations');
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ('PIT Regulations');
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (vi) As informed and certified by the management of the Company, there is no sectorial law specifically applicable to the Company based on their Sectors/ Industry.

We have also examined compliance with the applicable clauses/ Regulations of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"); **Not Applicable during the period under review**

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above except delay in filing of few forms with the Registrar of Companies ('ROC').

We further report that,

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance (except in cases where meetings were convened at a shorter notice for which necessary approvals obtained as per applicable provisions), and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously or with requisite majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure

compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the Company has following specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

1. The Hon'ble National Company Law Tribunal, Chandigarh Bench on 3rd June, 2022 has approved the Scheme of Arrangement with the appointed date 1st April, 2022 which hereby provides for Amalgamation of Kamdhenu Concast Limited, Kamdhenu Overseas Limited, Kamdhenu Paint Industries Limited, Kamdhenu Infradevelopers Limited, Kamdhenu Nutrients Private Limited, Kay2 Steel Limited, Tiptop Promoters Private Limited (Transferor Companies 1 to 7), with Kamdhenu Limited(Transferee Company), and De-merger of Paint Business (the Demerged Business) of Kamdhenu Limited (the Transferee Company) into Kamdhenu Colour and Coatings Limited (the Resulting Company No 2) and issue of shares by Kamdhenu Ventures Limited (the Resulting Company No. 1) to the Shareholders of Kamdhenu Limited in consideration of the said de-merger.

For **Chandrasekaran Associates**

Company Secretaries

FRN: P1988DE002500

Peer Review Certificate No.: 1428/2021

Sachin Sapra

Partner

Membership No. F5831

Certificate of Practice No. 5894

UDIN: F005831E000318638

Date: 18th May, 2023

Place: Delhi

Note:

1. This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.
2. We have conducted the secretarial audit by examining the Secretarial Records including Minutes, Documents, Registers and other records etc., and some of them received by way of electronic mode from the Company and could not be verified from the original records. The management has confirmed that the records submitted to us are true and correct. This Report is limited to the Statutory Compliances on laws / regulations / guidelines listed in our report of which, the due date has been ended/expired on or before 31st March, 2023 pertaining to Financial Year 2022-23.



ANNEXURE I

To,
The Members

Kamdhenu Colour and Coatings Limited

2nd Floor, Tower-A, Building No-9
DLF Cyber City, Phase-III,
Gurgaon - 122002, Haryana

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Chandrasekaran Associates**

Company Secretaries
FRN: P1988DE002500
Peer Review Certificate No: 1428/2021

Sachin Sapra

Partner
Membership No. F5831
Certificate of Practice No. 5894
UDIN: F005831E000318638

Date: 18th May, 2023

Place: Delhi

**SECRETARIAL COMPLIANCE REPORT OF KAMDHENU VENTURES LIMITED
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023**

To,
The Board of Directors
Kamdhenu Ventures Limited
2nd Floor, Tower-A, Building No-9
DLF Cyber City, Phase-III,
Gurgaon - 122002, Haryana

We Chandrasekaran Associates, Company Secretaries have examined:

- (a) All the documents and records made available to us and explanation provided by Kamdhenu Ventures Limited (**"the Listed Entity/Company"**),
- (b) The filings/ submissions made by the listed entity to the stock exchanges,
- (c) Website of the listed entity,
- (d) Any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the financial year ended on 31st March, 2023, since the date of listing of the Company i.e. with effect from 24th January, 2023 till 31st March, 2023 (**"Review Period"**) in respect of compliance with the applicable provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined and include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations 2015");

- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable during the year under review.**
- (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not Applicable during the year under review**
- (f) Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulation, 2021; **Not Applicable during the year under review**
- (g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (h) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 76 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- (i) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;
- (j) Securities and Exchange Board of India (Investor Protection and Education Fund) Regulations, 2009; **Not Applicable during the year under review**
- (k) Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 (in relation to obligations of Issuer Company); **Not Applicable during the year under review**

We have examined the compliance of above regulations, circulars, guidelines issued thereunder as applicable during the review period and based on confirmation received from management of the Company as and when required affirm that:

S. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/Remarks by PCS
1.	<p>Secretarial Standard</p> <p>The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI)</p> <p>We have examined the Secretarial Standards issued by Institute of Company Secretaries of India and as notified by Ministry of Corporate Affairs.</p>	Yes	



S. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/Remarks by PCS
2.	<p>Adoption and timely updation of the Policies:</p> <ul style="list-style-type: none"> All applicable policies under Securities Exchange Board of India ("SEBI") Regulations are adopted with the approval of Board of Directors of the listed entity. All the policies are in conformity with SEBI Regulations and has been reviewed & timely updated as per the regulations/circulars/guidelines issued by SEBI 	Yes	
3.	<p>Maintenance and disclosures on Website:</p> <ul style="list-style-type: none"> The listed entity is maintaining a functional website Timely dissemination of the documents/ information under a separate section on the website Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which redirects to the relevant document(s)/ section of the website 	Yes	
4.	<p>Disqualification of Director:</p> <p>None of the Director of the Company are disqualified under Section 164 of Companies Act, 2013</p>	Yes	
5.	<p>To examine details related to Subsidiaries of listed entity:</p> <p>a) Identification of material subsidiary companies</p> <p>b) Requirements with respect to disclosure of material as well as other subsidiaries</p>	Yes	Kamdhenu Colour and Coatings Limited is material subsidiary of Kamdhenu Ventures Limited
6.	<p>Preservation of Documents:</p> <p>The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015</p>	Yes	
7.	<p>Performance Evaluation:</p> <p>The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations</p>	NA	During the year 2022-2023, the performance evaluation is not applicable, since it was listed with effect from 24 th January, 2023
8.	<p>Related Party Transactions:</p> <p>(a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions.</p> <p>(b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ ratified/rejected by the Audit committee</p>	Yes	
		NA	No related party transactions has been subsequently, approved / ratified / rejected by the Audit Committee.
9.	<p>Disclosure of events or information:</p> <p>The listed entity has provided all the required disclosure(s) under Regulation 30 alongwith Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.</p>	Yes	
10.	<p>Prohibition of Insider Trading:</p> <p>The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015</p>	Yes	

S. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/Remarks by PCS
11.	Actions taken by SEBI or Stock Exchange(s), if any: No Actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges(including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunderwith respect to the listed entity.	No	As confirmed by the management, no action was taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges(including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder.
12.	Additional Non-compliances, if any: No any Additional non-compliance observed for all SEBI regulation/circular/guidance note etc.	No	No any additional no-compliance observed for all SEBI regulation/ circular/guidance note etc.

Further, based on the above examination, we hereby report, during the review period that:

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

S.No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
NIL										

- (b) The listed entity has taken the following actions to comply with the observations made in previous reports:

S.No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
NA										

- (c) The listed entity has suitably included the conditions as mentioned in para 6(A) and 6(B) of the SEBI Circular CIR/CFD/ CMD1/114/2019 dated 18th October, 2019 in terms of appointment of statutory auditor of the Listed entity.

For **Chandrasekaran Associates**

Company Secretaries

FRN: P1988DE002500

Peer Review Certificate No: 1428/2021

Sachin Sapra

Partner

Membership No. F5831

Certificate of Practice No. 5894

UDIN:F005831E000318583

Date: 18th May, 2023

Place: Delhi

ANNEXURE-B

DETAILS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNINGS AND OUTGO

(Particulars as per Section 134 of the Companies Act, 2013 read with rule 8(3) of the Companies (Accounts) Rules, 2014)

(A) CONSERVATION OF ENERGY

(i)	Energy Conservation Measure Taken	<p>The Company strives to conserve energy in all its actions and a sustainable utilization of all the available resources is our key priority. During the year under review Company has taken the following initiatives to conserve energy:</p> <ul style="list-style-type: none"> - Imparting trainings at the plant for energy conservation. - Conventional LCD Bulbs and Tube Lights of Plants and Corporate Office Areas are replaced with LED Bulbs, CFL and LED Tube Lights. - Shutting of all the lights when not in use and use of LED lights. - Use of smart wireless controller in AC for reducing power consumption - Installation of RO for recycle of water. <p>The Combined efforts of the Company has paved a path for conservation of energy to a vast extent in the near future.</p>
(ii)	Utilizing Alternate Sources of Energy	-
(iii)	the capital investment on energy conservation equipment's.	-

(B) TECHNOLOGY ABSORPTION

(i)	Technology Absorption	<p>The Company has a high quality Research and Development team that strives to determine the latest technological changes in the paint industry at global level, in order to bring out a much diverse product portfolio.</p> <p>1,600+ tinting machines are currently installed at dealer outlets to make wide range of shades by mixing Colorant from Computerized tinting machine with the paint bases. It helps in minimizing inventories and ensures just-in-time delivery of the precise amount of paint.</p> <p>Our technological enhancements includes using technology to build and develop more water based products and paints manufacturing through renewable energy.</p>
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	<p>During the year under review the technological benefits could be seen in our product range that provides a diversified option chain to its customers.</p> <p>Dual Paint Series : Series of paints, that provides super protective 100% acrylic latex paint which is water resistant and protects the exterior & interior walls, provides a silky sheen finish which lends a soft regal glow, resin system that protect exterior and interior walls from UV degradation, Alkali, Fungal and Algal growth for years.</p> <p>Designer Range: This series provides a range of water base special effects paint to give smooth, elegant and designer look for home interiors and gives a sparkling texture finish on walls.</p> <p>Exterior Emulsion Range: This series is a smooth water based, modified acrylic, exterior wall finish with silicone additives with advanced anti algal & weather proof.</p> <p>Interior Emulsion Range: This series provides 100% acrylic latex paint with high sheen, high scrub resistance, highly smooth finish, lends a soft regal glow to the interiors of the room, is a perfect solution for walls range of unique colors that are easily washable and ecofriendly.</p> <p>Acrylic Washable Distemper Range: This series of paints provides unmatched durability, available in a unique range of 500 attractive shades, economical yet durable, retains the brightness for longer duration.</p>

ANNEXURE-B (Contd.)

(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	
(a)	the details of technology imported	Nil
(b)	the year of import;	N.A.
(c)	whether the technology been fully absorbed	N.A.
(d)	if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	N.A.
(iv)	the expenditure incurred on Research and Development	N.A.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

The total foreign exchange used and the total foreign exchange earned during the year as compared to the previous financial year has been provided hereunder:

(₹ in Lakhs)

Foreign Exchange Earnings & Outgo	Current Year (2022-23)	Previous Year (2021-22)
Inflow	Nil	Nil
Outflow	Nil	Nil

**BY ORDER OF THE BOARD OF DIRECTORS OF
KAMDHENU VENTURES LIMITED**

(Sunil Kumar Agarwal)

Chairman

DIN: 00005973

(Saurabh Agarwal)

Managing Director

DIN: 00005970

Date: 18th May, 2023

Place: Gurugram

ANNEXURE-C

PARTICULARS OF REMUNERATION

Part A: Information pursuant to Section 197(12) of the Companies Act, 2013

[Read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

a. Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year ended 31st March, 2023.

Not applicable as none of the Directors have drawn remuneration except sitting fees from the Company during the Financial Year 2022-23. The Managing Director of the Company has been paid remuneration, in accordance with and, within the limits as prescribed under the provisions of Companies Act, 2013 from Kamdhenu Colour and Coatings Limited, Wholly Owned Subsidiary of the Company. The Non – Executive Directors have been paid sitting fees from the Company, the details of which are given below:

Sr. No.	Name of Director	Designation	Remuneration of Director/KMP for FY 2022-23	Ratio of Remuneration of each Director/ to median remuneration of employees*
1.	Shri Sunil Kumar Agarwal	Chairman	1.55 Lakhs	NA
2.	Shri Saurabh Agarwal**	Managing Director	240 Lakhs	NA
3.	Shri Sachin Agarwal	Non – Executive Director	1.50 Lakhs	NA
4.	Shri Madhusudan Agarwal	Independent Director	3.00 Lakhs	NA
5.	Shri Ramesh Chand Surana	Independent Director	2.90 Lakhs	NA
6.	Smt. Nishal Jain	Independent Director	3.00 Lakhs	NA

* All the employees of the Company are being paid remuneration from Kamdhenu Colour and Coatings Limited, the Wholly Owned Subsidiary of the Company and thus required ratios are incomparable.

** Shri Saurabh Agarwal, Managing Director of the Company draws remuneration from Kamdhenu Colour and Coatings Limited, the Wholly Owned Subsidiary of the Company.

b. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, during the financial year 2022-23.

Sr. No.	Name of Director/ KMP	Designation	% Increase in remuneration*
1.	Shri Sunil Kumar Agarwal	Chairman	NA ¹
2.	Shri Saurabh Agarwal	Managing Director	NA ²
3.	Shri Sachin Agarwal	Non – Executive Director	NA ¹
4.	Shri Madhusudan Agarwal	Independent Director	NA ³
5.	Shri Ramesh Chand Surana	Independent Director	NA ³
6.	Smt. Nishal Jain	Independent Director	NA ³
7.	Shri Vineet Kumar Agarwal	Chief Financial Officer	NA ⁴
8.	Shri Nitin Misra	Company Secretary	NA ⁴

* 1. Shri Sunil Kumar Agarwal and Shri Sachin Agarwal are Non – Executive Directors of the Company and thus they have been paid by way of sitting fees to attend meetings of the Company and accordingly, for the financial year ended 31st March, 2023, increase in remuneration is not applicable.

2. Shri Saurabh Agarwal, Managing Director of the Company draws remuneration from Kamdhenu Colour and Coatings Limited, Wholly Owned Subsidiary of the Company.

3. Shri Madhusudan Agarwal, Shri Ramesh Chand Surana, Shri Nishal Jain, Independent Directors of the Company, has been appointed w.e.f 18th July, 2022 and are being paid sitting fees by the Company and accordingly, for the financial year ended 31st March, 2023, increase in remuneration is not applicable.

4. Shri Vineet Kumar Agarwal, Chief Financial Officer was appointed w.e.f 9th September, 2023 and Shri Nitin Misra, Company Secretary & Compliance Officer of the Company, appointed w.e.f 18th July, 2023, have drawn remuneration from Kamdhenu Colour and Coatings Limited, Wholly Owned Subsidiary of the Company.

ANNEXURE-C (Contd.)

c. The percentage increase in the median remuneration of employees in the Financial Year ended 31st March, 2023 : During the year under review, there were only 3 permanent employees i.e Shri Saurabh Agarwal, Managing Director, Shri Vineet Kumar Agarwal, Chief Financial Officer and Shri Nitin Misra, Company Secretary & Compliance Officer of the Company who were appointed w.e.f 1st June, 2022, 9th September, 2022 and 18th July, 2022, respectively and thus for the financial year ended 31st March, 2023, details of median employees remuneration is not applicable.

d. The number of permanent employees on the rolls of company as on 31st March, 2023:

3 (Three)

During the year under review, pursuant to Scheme of Arrangement approved by the Hon'ble NCLT on 3rd June, 2022, the Paint Business of the Company was transferred into Kamdhenu Colour and Coatings Limited, a Wholly Owned Subsidiary of the Company. Upon sanctioning of the scheme of arrangement, the transfer of paint business was effected on 18th July, 2022, and the 386 employees of the paints division were transferred to Kamdhenu Colour and Coatings Limited and whereas 3 employees as mentioned in point c. above were transferred to Kamdhenu Ventures Limited. However, the remuneration of the aforesaid 3 employees are being paid through Kamdhenu Colour and Coatings Limited only, the Wholly Owned Subsidiary of the Company.

e. Average percentile increase already made in the salaries of employees other than the Managerial Personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Not Applicable

f. Affirmation that the remuneration is as per the remuneration policy of the Company.

The Company hereby affirms that the remuneration paid is as per the Nomination & Remuneration Policy for Directors, Key Managerial Personnel and Senior Managerial Personnel.

Particulars of Employees (excluding the directors) pursuant to the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & 5(3) of the Companies (Appointment & Remunerations of Managerial Personnels) Rules, 2014:

S.No.	Name	Age (years)	Designation	Annual Remuneration*	Qualification	Experience (years)	Date of commencement of Employment	Last Employment held/ Designation/ Period	Nature of Employment whether contractual or otherwise	% of Equity shares held in the Company	Whether the employee is relative of any director or manager of the Company, if yes, name of such relative
1.	Shri Saurabh Agarwal	48	Managing Director	₹ 240 Lakhs	B.E. in Mechanical Engineering	25 Years	19.10.2019	Kamdhenu Limited	Permanent	8.02	Yes, Shri Sunil Kumar Agarwal, Shri Sachin Agarwal
2.	Shri Vineet Kumar Agarwal	51	Chief Financial Officer	₹ 12.65 Lakhs	MBA (Finance)	24 Years	09.09.2023	Kamdhenu Limited	Permanent	0.10	-
3.	Shri Nitin Misra	46	Company Secretary	₹ 8.27 Lakhs	LLB, CS	16 Years	18.07.2023	Kamdhenu Limited	Permanent	-	-

* All the employees of the Company are being paid remuneration from Kamdhenu Colour and Coatings Limited, the Wholly Owned Subsidiary of the Company.

Employed throughout the year and in receipt of remuneration not less than ₹ 102 Lakhs	NIL
Employed for part of the year and in receipt of remuneration not less than ₹ 8.50 Lakhs per month.	NIL
Employees in The Company who employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the Managing Director or Whole-Time Director or Manager and holds by himself or along with his spouse and dependent children, not less than two % of the equity shares of The Company.	NIL

**ANNEXURE-D****FORM NO. AOC.2****(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)**

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis:

Name(s) of the related party and nature of relationship	Nil
Nature of contracts/arrangements/transactions	
Duration of the contracts/arrangements/transactions	
Salient terms of the contracts or arrangements or transactions including the value, if any	
Justification for entering into such contracts or arrangements or transactions	
Date of approval by the Board	
Amount paid as advances, if any	
Date on which the Special Resolution was passed in General Meeting as required under first proviso to Section 188	

2. Details of material contracts or arrangement or transactions at arm's length basis:

S. No	Name(s) of the related party and nature of relationship	
1	Nature of contracts/arrangements /transactions	NIL
2	Duration of the contracts/arrangements/transactions	
3	Salient terms of the contracts or arrangements or transactions including the value, if any:	
4	Date(s) of approval by the Board, if any:	
5	Amount paid as advances, if any:	

**BY ORDER OF THE BOARD OF DIRECTORS OF
KAMDHENU VENTURES LIMITED****(Sunil Kumar Agarwal)**Chairman
DIN: 00005973**(Saurabh Agarwal)**Managing Director
DIN: 00005970**Date:** 18th May, 2023**Place:** Gurugram**(Vineet Kumar Agarwal)**

Chief Financial Officer

(Nitin Misra)

Company Secretary

ANNEXURE-E

FORM NO. AOC-1

Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures
(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹ in Lakhs)

S. No.	Name of the Company	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Date since when subsidiary was acquired	Reporting currency	Exchange rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Total Investments	Turnover	Profit/surplus before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	Ownership (%)
1.	Kamdhenu Colour and Coatings Limited	31 st March, 2023	18 th January, 2020	₹	NA	3.04	8541.05	22032.73	13488.63	-	25091.70	(1011.22)	21.62	(1032.84)	-	100

Additional Disclosures:

- Names of subsidiaries which are yet to commence operations: NIL
- Names of subsidiaries which have been liquidated or sold during the year: NIL

Part "B" : Associates and Joint Ventures

(Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Venture)

Name of Associates or Joint Ventures	Name
1. Latest audited Balance Sheet Date	NA
2. Date on which the Associate or Joint Venture was associated or acquired	
3. Shares of Associate or Joint Ventures held by the Company on the year end	
No.	
Amount of Investment in Associates or Joint Venture	
Extent of Holding (in %)	
4. Description of how there is significant influence	
5. Reason why the associate/Joint venture is not consolidated.	
6. Net worth attributable to shareholding as per latest audited Balance Sheet	
7. Profit or Loss for the year	
i. Considered in Consolidation	
ii. Not Considered in Consolidation	



ANNEXURE-E (Contd.)

Additional Disclosures:

1. Names of associates or joint ventures which are yet to commence operations Nil
2. Names of associates or joint ventures which have been liquidated or sold during the year: Nil

**BY ORDER OF THE BOARD OF DIRECTORS OF
KAMDHENU VENTURES LIMITED**

(Sunil Kumar Agarwal)

Chairman
DIN: 00005973

(Saurabh Agarwal)

Managing Director
DIN: 00005970

Date: 18th May, 2023

Place: Gurugram

(Vineet Kumar Agarwal)

Chief Financial Officer

(Nitin Misra)

Company Secretary

CORPORATE GOVERNANCE REPORT

This report is prepared in accordance with the provisions of Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and the report contains the details of Corporate Governance systems and processes at Kamdhenu Ventures Limited ("the Company").

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate governance refers to the set of processes, principles, and values that guide a company's management in making decisions and implementing policies. The philosophy of code on corporate governance represents the Company's commitment towards maintaining the highest ethical standards and transparency in its operations. The management of your Company strives to take all necessary actions to assure that the Company operates ethically, transparently, and in the best interests of its stakeholders. The beliefs of the Company are based on the set of values, principles, and practices, that have been percolated in a perennial manner to the Management of Kamdhenu Ventures Limited, which guides the Company's management in making decisions and implementing policies to achieve sustained growth ethically and in the best interest of the Company, all its stakeholders and society at large. The philosophy of code on corporate governance of the Company includes various elements that are vital to promoting transparency, accountability, and ethical behaviour within the organization. These elements include the Company's commitment to complying with applicable laws and regulations, protecting shareholder rights, ensuring transparency in its operations, and promoting accountability throughout the organization.

Your Company has established a framework that enables the Company to comply with applicable laws, rules and regulations. This framework includes policies, procedures, and internal controls that ensure that the Company's operations are in compliance with applicable laws and regulations. The framework of your Company on Corporate Governance is majorly based on the following aspects:

- Compliance with Applicable Laws and Regulations
- Protection of Shareholder Rights
- Transparency in the operations of the Company
- Promotion of reliability and accountability

The Company has instigated a governance framework with well-defined and delegated roles and

responsibilities at all levels of Management. During the year under review, the shares of the Company got listed on both the stock exchanges i.e National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) with effect from 24th January, 2023. The Board of your Company had in their meeting held on 18th July, 2022, constituted various Committees to discharge responsibilities effectively. The Chairman of the Company is keen towards innovative and new areas of work for the betterment and growth of the Company. The Managing Director and a much enthusiastic group of senior executives have been tendered with adequate decision making powers in the day-to-day operations with roles and responsibilities assigned by the Board

For the purpose of the protection of stakeholders interest, it is ensured that shareholders have access to accurate and timely information about the Company's operations, financial performance, and future prospects. The Company have adequate mechanisms that enable shareholders to exercise their rights, including the right to vote on significant matters related to the Company's operations.

The Company is also committed to create a workplace, that, all the times, is free from harassment and discrimination, where co-workers are respected and provided an appropriate environment so as to encourage good performance and conduct. A "Code of Conduct and Work Place Ethics Policy" has been formulated in order to foster and maintain Employee trust and confidence in the professionalism and the integrity of the Employees of the Company by ensuring that all Employees adhere to appropriate standards of conduct as set out in this Policy that maintains and enhances the reputation of the Company. Furthermore, your Company pursuant to the provisions of Regulation 17(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, has adopted a "Code of Conduct for the Board of Directors & Senior Management Personnels" to ensure that the Management make reasonable efforts to use highest degree of skills and expertise which is expected out of them.

Your Company believes that Corporate Governance is not merely adopting practices as mandated by law, it is a small bullet of a bigger picture where the organizations strives to build a more sustainable and ethical nation and to stand out on the notes of Aatmanirbhar (Self Reliant) India.



CORPORATE GOVERNANCE REPORT (Contd.)

2. BOARD OF DIRECTORS

In order to create and propagate a greater level of stakeholders value, your Company seeks to have effectively functioning diversified Board where the knowledge, wisdom and strength of the Board from different areas and industries could be percolated towards all the levels of the Management of the Company, so as to create an environment full of growth and to adhere the Corporate Governance in spirit. During the period under review, there has been significant changes in the Board of your Company in order to cater the next step towards the growth of the Company as the Company got listed on both the Stock Exchanges i.e BSE Limited and National Stock Exchange of India Limited on 24th January, 2023.

A. Composition of Board

Your Company believes in having a diverse Board Composition so that the wisdom, strength and expertise of experts from various fields could be leveraged for increasing the overall value of the Board of the Company. The Board of your Company is an ideal mix of industry specific knowledge, experience, approach that serves a much greater diverse and an Independent approach in decision making.

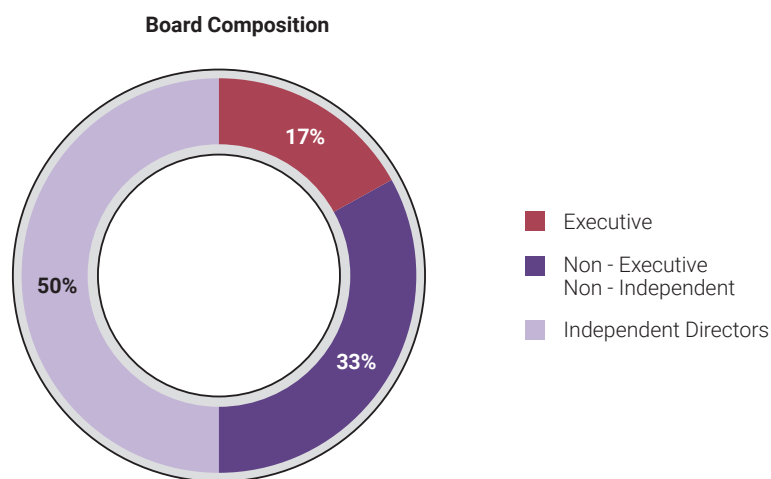
The Board of Directors of your Company has, pursuant to the applicable provisions of Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2018, and subject to the approval of shareholders of the Company, in their meeting held on 18th July, 2022 approved:

1. Appointment of Shri Ramesh Chand Surana (DIN: 00089854) as an Additional Director in the category of Non-executive Independent Director of the Company for a period of 5 (Five) years from 18th July, 2022 to 17th July, 2027.
2. Appointment of Shri Madhusudan Agarwal (DIN: 00338537) as an Additional Director in the category of Non-executive Independent Director of the Company for a period of 5 (Five) years from 18th July, 2022 to 17th July, 2027.
3. Appointment of Smt. Nishal Jain (DIN: 06934656) as an Additional Director in the category of Non-executive Independent Woman Director for a period of 5 (Five) years from 18th July, 2022 to 17th July, 2027, subject to the approval of Shareholder of the Company.

The Shareholders of the Company in their Extra – Ordinary General Meeting held on 18th July, 2022, at shorter notice, in terms of the applicable provisions of Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, approved the appointment of Shri Ramesh Chand Surana, Shri Madhusudan Agarwal and Smt Nishal Jain as Independent Directors of the Company for a period of 5 (Five) years from 18th July, 2022 to 17th July, 2027. Further, during the year under review, Shri Saurabh Agarwal (DIN: 00005970) was appointed as Managing Director of the Company, liable to retire by rotation, for a period of 3 (Three) years with effect from 1st June, 2022 to 31st May, 2025, by the Shareholders of the Company at the 3rd Annual General Meeting held on 15th July, 2022. Shri Sunil Kumar Agarwal was re-designated as Non-executive Chairman of the Company by the Board of Directors with effect from 1st June, 2022.

Pursuant to Section 152 of Companies Act, 2013 read with Articles of Association of the Company, Shri Sachin Agarwal (DIN: 01188710), being liable to retire by rotation, offered himself for re-appointment and an Ordinary Resolution with regard to the re-appointment of Shri Sachin Agarwal was passed at the 3rd Annual General Meeting of the Company. In compliance with the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations, your Company's Board has an optimum combination of Executive and Non-Executive Directors including Woman Director. As on 31st March, 2023, the Company had Six (6) Directors, of which Five (5) are Non-Executive Directors including Three (3) Independent Directors and One (1) Executive Director. The Board has one (1) Woman Director, being Independent Director of the Company. The Chairman being a regular non-executive chairperson and also related to Promoter, the number of Independent Non-Executive Directors on the Board has been $\geq 50\%$ of the Board strength at any point of time. The composition of the Board is in conformity with Regulation 17(1) of the SEBI Listing Regulations read with Section 149 of the Companies Act, 2013 ('Act').

CORPORATE GOVERNANCE REPORT (Contd.)



I) NAME AND CATEGORY OF DIRECTORS

As on 31st March, 2023, the composition of the Board of Directors of the Company is as follows:

Sl. No.	Name of Directors	Promoter / Non-Promoter	Category of Directorship
1	Shri Sunil Kumar Agarwal (DIN: 00005973) ⁱ	Promoter	Chairman, Non – Executive Non – Independent Director
2	Shri Saurabh Agarwal (DIN: 00005970) ⁱⁱ	Promoter Group	Managing Director, Executive Director
3	Shri Sachin Agarwal (DIN: 01188710)		Non - Executive Non – Independent Director
4	Shri Madhusudan Agarwal (DIN: 00338537) ⁱⁱⁱ	Non - Promoter	Non-Executive - Independent Director
5	Smt. Nishal Jain (DIN: 06934656) ⁱⁱⁱ		Non-Executive - Independent Director
6	Shri Ramesh Chand Surana (DIN: 00089854) ⁱⁱⁱ		Non-Executive - Independent Director

- i. Shri Sunil Kumar Agarwal was re-designated as Non-Executive Chairman of the Company w.e.f. 1st June, 2022.
- ii. Shri Saurabh Agarwal was appointed as Managing Director of the Company w.e.f. 1st June, 2022.
- iii. Shri Madhusudan Agarwal, Shri Ramesh Chand Surana and Smt. Nishal Jain were appointed as Independent Director of the Company w.e.f. 18th July, 2022.

II) NUMBER OF BOARD MEETINGS AND ATTENDANCE AT THE BOARD MEETINGS AND AT 3RD ANNUAL GENERAL MEETING.

While conducting the meetings, the principles of corporate governance, the applicable requirements of the Companies Act, 2013, the SEBI Listing Regulations, as amended upto date, and the requirements of the Secretarial Standards and other applicable statutes if any, were duly followed.

The notice convening Board Meeting is sent to each of the Directors along with relevant papers well in advance of the meeting date. The items in the agenda are supported by comprehensive background information which enable the Board to take informed decisions.

All the Significant developments and material events are brought to the notice of the Board, either as a part of the agenda papers in advance of the meeting or by way of presentations or circulation of relevant documents during the meeting. The Chief Financial Officer and Managing Director briefs the Board on the financial performance of the Company and trend analysis as compared to the budgets, operational performance and market scenario. The Company Secretary tracks and monitors meeting proceedings to ensure that the terms of reference /charters are adhered to, decisions are properly

CORPORATE GOVERNANCE REPORT (Contd.)

recorded in the minutes and actions on the decisions are tracked. The terms of reference/charters are amended and updated from time to time in order to keep the functions and role of the Board and Committees at par with the changing statutes.

During the financial year 2022-23, the Board met 13 (Thirteen) times. The dates of the Board meetings were 15th April, 2022, 5th May, 2022, 14th May, 2022, 1st June, 2022, 14th June, 2022, 6th July, 2022, 18th July, 2022, 25th July, 2022, 9th September, 2022, 11th November, 2022, 12th December, 2022, 30th January, 2023 and 10th March, 2023. The gap between any two consecutive meetings held during the financial year 2022-23 did not exceed 120 days.

During the financial year 2022-23, as per the requirement of Schedule IV of the Act, 2013 and as per Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate Meeting of the Independent Directors was held on 15th March, 2023, whereby, all the Independent Directors were present without the presence of the Non-Independent Directors and the members of the management of the Company, inter-alia, to review the performance of Non-Independent Directors, Chairman, Managing Director and the Board as a whole and to assess quality, quantity and timeliness of flow of information between Management and the Board for ensuring effective participation by the Board Members. The Meeting of Independent Directors was preceded by Shri Madhusudan Agarwal.

The 3rd Annual General Meeting of the Company was held on 15th July, 2022.

A table depicting the attendance of Directors at various board meetings and annual general meeting held during the financial year 2022-23, is set out below:

S.No	Name of Director	Attendance in Board Meeting (including Independent Director Meeting) and 3 rd AGM														
		Board Meeting												3 rd AGM	Independent Directors' Meeting	
		15 th April, 2022	5 th May, 2022	14 th May, 2022	1 st June, 2022	14 th June, 2022	6 th July, 2022	18 th July, 2022	25 th July, 2022	9 th Sept 2022	11 th Nov, 2022	12 th Dec, 2022	30 th Jan, 2023	30 th Mar, 2023	15 th July, 2022	15 th March, 2023
1.	Shri Sunil Kumar Agarwal	√	√	√	√	√	√	√	×	√	√	√	√	√	√	NA
2.	Shri Saurabh Agarwal	√	√	√	√	√	√	√	×	√	√	√	√	√	√	NA
3.	Shri Sachin Agarwal	√	√	√	√	√	√	×	√	×	√	√	√	√	√	NA
4.	Shri Madhusudan Agarwal	NA	NA	NA	NA	NA	NA	NA	√	√	√	√	√	√	NA	√
5.	Shri Ramesh Chand Surana	NA	NA	NA	NA	NA	NA	NA	√	√	√	√	√	√	NA	√
6.	Smt. Nishal Jain	NA	NA	NA	NA	NA	NA	NA	√	√	√	√	√	√	NA	√

CORPORATE GOVERNANCE REPORT (Contd.)

III) NUMBER OF DIRECTORSHIPS AND COMMITTEE CHAIRMANSHIP/MEMBERSHIPS HELD BY BOARD OF DIRECTORS IN OTHER PUBLIC COMPANIES AS ON MARCH 31, 2023, ARE GIVEN BELOW:

The details of the Directors of the Company was as follows:

S. No	Name of Director	No. of Directorship in other Companies (including the Company)*	Name of Listed Entities in which Director other than the Company including category of Directorship		No. of Committees in which Chairperson/Member including the Company.**	
			Name of Listed Company	Category of Directorship	Membership	Chairmanship
1.	Shri Sunil Kumar Agarwal	5	Kamdhenu Limited	Executive Director	1	-
2.	Shri Saurabh Agarwal	5	Kamdhenu Limited	Non-Executive Director	3	-
3.	Shri Sachin Agarwal	4	Kamdhenu Limited	Executive Director	-	-
4.	Shri Madhusudan Agarwal	3	East Buildtech Limited	Non-Executive Non-Independent Director	3	3
			Kamdhenu Limited	Non-Executive Independent Director		
5.	Shri Ramesh Chand Surana	3	Kamdhenu Limited	Non-Executive Independent Director	4	1
			Umang Diaries Limited	Non-Executive Independent Director		
6.	Smt. Nishal Jain	2	Omaxe Limited	Non-Executive Independent Director	3	0

*Includes directorships held in Listed Companies, Public Companies and exclude directorships held in private limited companies, foreign companies and the companies registered under Section 8 of the Companies Act, 2013.

**Includes position held as Member/Chairman of the Audit Committees and Stakeholders' Relationship Committee in Indian Listing Companies and Public Companies only.

Note

- None of the directors on the Board is a member of more than ten committees or chairman/chairperson of more than five committees across all Public Limited companies in which he/ she is a director. In computing the said number only Audit Committee and Stakeholders Committee, have been considered in terms of Regulation 26(1) of the SEBI Listing Regulations.
- None of the Non-Executive Director had any pecuniary relationship with or entered into any pecuniary transactions with the Company, during the financial year 2022-23.
- All Directors are in compliance with the limit on Directorships including Independent Directorships of Listed Companies as prescribed under Regulation 17A of the Listing Regulations.
- Shri Sunil Kumar Agarwal is a Promoter and Non - Executive Chairman of the Company.
- Shri Saurabh Agarwal is a Promoter and Managing Director of the Company.



CORPORATE GOVERNANCE REPORT (Contd.)

IV) DISCLOSURE OF INTER-SE RELATIONSHIPS BETWEEN DIRECTORS AND DISCLOSURE OF SHAREHOLDING:

None of the Non-Executive Independent Directors of the Company holds any shares and/or convertible instruments of the Company and are not related to any director of the Company as on 31st March, 2023. The details of Shareholding and inter-se relationship of Directors of the Company as at 31st March, 2023 is depicted below:

Sl. No.	Name of Director	Designation	Relationship with other Directors	Number of Shares/ Convertible instruments of the Company held by them.
1	Shri Sunil Kumar Agarwal (DIN: 00005973)	Chairman	Relative of Shri Saurabh Agarwal and Shri Sachin Agarwal	26,79,490 Equity Shares having face value of ₹ 5/- each.
2	Shri Saurabh Agarwal (DIN: 00005970)	Managing Director	Brother of Shri Sachin Agarwal and relative of Shri Sunil Kumar Agarwal	21,60,314 Equity Shares having face value of ₹ 5/- each.
3	Shri Sachin Agarwal (DIN: 01188710)	Non – Executive Director	Brother of Shri Saurabh Agarwal and relative of Shri Sunil Kumar Agarwal	19,50,144 Equity Shares having face value of ₹ 5/- each.

V) INDEPENDENT DIRECTORS

The Independent Directors of the Company have been appointed in terms of the requirements of the Companies Act, 2013, the SEBI Listing Regulations and the Governance Guidelines for Board Effectiveness adopted by the Company. Formal letters of appointment have been issued to the Independent Directors and the terms and conditions of their appointment are disclosed on the Company's website.

a) Separate meeting of Independent Directors

During the financial year 2022-23, in compliance with the requirements set out in Schedule IV to the Companies Act, 2013 read with Regulation 25(3) of the SEBI Listing Regulations and Secretarial Standards on Board Meetings, a separate meeting of Independent Directors of the Company was held on 15th March, 2023, whereby, all the Independent Directors were present without the presence of the Non-Independent Directors and members of the management of the Company, details of which has been disclosed at Point No. II above. The Independent Directors, inter-alia,

- reviewed the performance of Non-Independent Directors and the Board as a whole;
- reviewed the performance of the Chairman of the Board, taking into account the views of Executive Directors and Non-Executive Directors;
- the Independent Directors had discussed about the quality, quantity and timeliness flow of information between Company's management and the Board.

The Independent Directors found the performance of the Board as a whole, Chairman and the timeliness of the flow of information satisfactory. The outcome of the meeting was apprised to the Chairman of the Company.

b) Familiarization programme of Independent Director

The Familiarization Programme is imparted annually to the Independent Directors to acclimatize them with the processes that have been adopted and changes in the modus operandi, if any. Pursuant to Regulation 25(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company makes detailed presentations to the Independent Directors, on the Company's operation and business plans, the nature of industry in which Company operates, and model of respective businesses, major risks involved and risk management strategy of the Company. The Company also organized visits to plant and other necessary locations, from time to time, to enable Independent Directors, to understand the business of the Company in a better way. Further, the Company also provides periodic insights and updates to the entire Board, including Independent Directors and other Non-Executive Directors, regarding business, innovations, strategies adopted, human capital management etc.

CORPORATE GOVERNANCE REPORT (Contd.)

During the Familiarization Programme of Independent Directors, presentations were made to the Independent Directors that included:

- Introduction to nature of Paint Industry in which the Kamdhenu Ventures Limited operates;
- Business model of the Company and the risks associated;
- Detailed analysis of Roles, responsibilities and duties of Independent Directors and other relevant information.

Pursuant to Regulation 25(7) of SEBI Listing Regulation, a familiarization exercise for Independent Directors of the Company was carried out on 15th March, 2023, wherein all the Independent Director have participated aptly. As required under Regulation 46(2)(i) of SEBI Listing Regulations, the details of Familiarization program imparted to the Independent Directors are available on the website of the Company and can be viewed at the web link: https://www.kamdhenupaints.com/images/policies/KVL_Familiariation%20Program%20for%20Independent%20Directors.pdf.

VI) Chart/matrix setting out the skills/expertise/competence of the Board of Directors:

Name	Areas of Skills/ Expertise/ Competence							
	Leadership	Industry	Technical	Strategic	Risk Management	Interpersonal	Finance	Governance
Shri Sunil Kumar Agarwal	√	√	√	√	√	√	-	√
Shri Saurabh Agarwal	√	√	√	√	√	√	-	√
Shri Sachin Agarwal	√	√	√	-	√	√	-	√
Shri Madhusudan Agarwal	√	-	-	√	√	√	√	√
Shri Ramesh Chand Surana	√	√	√	-	√	√	√	√
Smt. Nishal Jain	-	-	-	-	√	√	-	√

VII) INDEPENDENT DIRECTOR DECLARATIONS

The Company has received declarations from all the Independent Directors to the effect that:

- (a) they fulfill the criteria for independence as laid down under Section 149(6) of the Act and the rules framed thereunder, read with Regulation 16(1)(b) of the SEBI Listing Regulations, as amended upto date ("Listing Regulations");
- (b) that they have got themselves registered in the data bank for Independent Directors being maintained by the Indian Institute of Corporate Affairs (IICA), of the Ministry of Corporate Affairs, Government of India and their names are included in the data bank maintained by IICA;
- (c) they are not aware of any circumstance or situation, existing or anticipated, which may impact or impair their ability to discharge duties;
- (d) that they have complied with the Code for Independent Director prescribed in Schedule IV to the Act which forms a part of the Company's Code

of Conduct for Directors and Senior Management Personnel, to which as well, they affirm their compliance.

The Board of Directors of your Company are fully satisfied with the integrity, expertise and experience (including the proficiency) of all the Independent Directors appointed on the Board during the year under review.

Further the Board is of the opinion that the Independent Directors fulfil the conditions specified in the Act and the Listing Regulations and that they are independent of the management.

The Independent Directors neither have nor had any material pecuniary relationship with the Company, its holding, subsidiary (ies) or associate Company (ies), or their promoters, or directors, during the two immediately preceding financial years or during the current financial year apart from receiving the sitting fees, reimbursement of expenses incurred for attending the Board meeting, Committee meetings, Independent Directors' meeting and annual commission.



CORPORATE GOVERNANCE REPORT (Contd.)

3. COMMITTEES OF THE BOARD

Pursuant to sanctioning of the Scheme of Arrangement, the Company got listed on both the stock exchanges that is National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). Therefore the Company has to fulfill the requirements of Corporate Governance Framework, so as to comply with the various regulations of SEBI (LODR) Regulation, 2015 and Companies Act, 2013 and in pursuance of which, the Board of Directors of your Company has constituted various Committees to take informed decisions in the best interest of the Company. The Committees of the Board includes Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee, Risk Management Committee. These Committees monitor the activities falling within their terms of reference.

The role and composition of these Committees including number of meetings held during the financial year and participation of the members at the meetings of the committees, during the year are as under:

A. AUDIT COMMITTEE

Composition:-

The Board of Directors of your Company has in their meeting held on 18th July, 2022, constituted the Audit Committee in accordance with the provisions of Regulation 18 of SEBI Listing Regulation and Section 177 of the Companies Act, 2013. The powers, roles and the terms of reference of the said Audit Committee are in line with the Act and the SEBI Listing Regulations. As at 31st March, 2023 the Committee comprises of four (4) members namely Shri Madhusudan Agarwal, as the Chairman and Shri Saurabh Agarwal, Shri Ramesh Chand Surana and Smt. Nishal Jain, as the other three members of the Committee. While Shri Madhusudan Agarwal, Shri Ramesh Chand Surana and Smt. Nishal Jain are Independent Directors and Shri Saurabh Agarwal is the Promoter Executive Director.

All the members are financially literate having expertise in the fields of finance, accounting, development, strategy and management. The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process and the other areas as mentioned in the Section 177 of the Companies Act, 2013 and

Regulation 18 read with Part C of Schedule II to the SEBI Listing Regulations.

The term of reference of Audit Committee, inter-alia includes the following:

- i) to review:
 - (a) the management discussion and analysis of financial condition and results of operations;
 - (b) the management letters / letters of internal control weaknesses, if any issued by the statutory auditors;
 - (c) the internal audit reports provided by the Internal Auditors of the Company;
 - (d) statement of deviations; and
 - (e) the appointment, removal and terms of remuneration of the Auditors of the Company.
- ii) approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
- iii) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval;
- iv) reviewing, with the management, the quarterly financial statements before submission to Board for approval;
- v) Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of fund utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- vi) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- vii) approval or any subsequent modification (material or any other) of all transactions of the Company with related parties with the approval of Independent Directors only;
- viii) scrutiny of inter-corporate loans and investments;
- ix) valuation of undertakings or assets of the Company, wherever it is necessary;

CORPORATE GOVERNANCE REPORT (Contd.)

- x) evaluation of internal financial controls and risk management systems;
- xi) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- xii) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- xiii) discussion with internal auditors of any significant findings and follow up there on;
- xiv) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- xv) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- xvi) to look into the reasons for substantial defaults in the payment to creditors, if any;
- xvii) to review the functioning of the whistle blower mechanism;
- xviii) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- xix) reviewing the utilization of loans and/ or advances from/investment by the Company in the subsidiary exceeding rupees 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances/ investments;
- xx) to review and consider the rationale, cost-benefits and impacts of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;
- xxi) to review the financial statements, in particular and the investments made by the unlisted subsidiary;
- xxii) Carrying out any other function as is mentioned in the terms of reference of the audit committee.

Meetings and attendance during the year:

During the financial year 2022-23, the Audit Committee met 3 (Three) times. The dates of the Audit Committee meetings were 11th November, 2022, 12th December, 2022, and 30th January, 2023. The gap between any two consecutive meetings held during the financial year 2022-23 did not exceed 120 days.

A table depicting the attendance of members at meetings held during the financial year 2022-23, is set out below:

S. No	Name of Director	Attendance in Audit Committee Meeting		
		11 th November, 2022	12 th December, 2022	30 th January, 2023
1	Shri Madhusudan Agarwal	√	√	√
2.	Shri Saurabh Agarwal	√	√	√
3.	Shri Ramesh Chand Surana	√	√	√
4.	Smt. Nishal Jain	√	√	√

The Audit Committee invites Chief Financial Officer, Internal Auditor and Statutory Auditor of the Company to attend and be present at the Meetings of the Audit Committee. Shri Nitin Misra, Company Secretary & Compliance Officer also acts as Secretary to the Audit Committee.

CORPORATE GOVERNANCE REPORT (Contd.)

B. NOMINATION AND REMUNERATION COMMITTEE

Composition: -

The Nomination and Remuneration Committee of your Company is responsible to formulate the criteria for determining the qualifications, positive attributes and independence of the Directors and to recommend the remuneration of the Directors, Key Managerial Personnel and the Senior Management. The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulation and Section 178 of the Companies Act, 2013. As at 31st March 2023, the committee comprises of 3 (Three) members, all of whom are Non-Executive Independent Directors, namely Shri Ramesh Chand Surana, as the Chairman and Smt. Nishal Jain, Shri Madhusudan Agarwal as other members. Further, all the members of the Nomination and Remuneration Committee are Non – Executive Director.

Shri Nitin Misra, Company Secretary & Compliance Officer also acts as Secretary to the Nomination and Remuneration Committee.

The term of reference of Nomination & Remuneration Committee as per the Part D of Schedule II, inter-alia includes the following:

- i) To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees and while making appointment of an independent director, the Committee will evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director. While

identifying suitable candidates for Independent Director, the Committee may:

- a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates.
- ii) To formulate of criteria for evaluation of performance of independent directors and the board of directors;
- iii) To devise a policy on diversity of board of directors;
- iv) To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- v) Evaluation to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- vi) To recommend to the board, all remuneration, in whatever form, payable to senior management.

Meetings and attendance during the year:

The Board of Directors of your Company has duly constituted Nomination and Remuneration Committee of the Company on 18th July, 2022. During the financial year 2022-23, the Nomination and Remuneration Committee (NRC) has only met once on 9th September, 2022.

The attendance record of Committee members in respect of the meetings so held is depicted in the table given below:

S. No	Name of Director	Designation	Attendance in NRC Meeting
			9 th September, 2022
1	Shri Ramesh Chand Surana	Chairman	√
2	Shri Madhusudan Agarwal	Member	√
3	Smt. Nishal Jain	Member	√

CORPORATE GOVERNANCE REPORT (Contd.)

Performance evaluation criteria for Independent Director

Pursuant to the provisions of the Companies Act, 2013 and the applicable provisions of the SEBI Listing Regulations, the Annual Performance Evaluation was carried out for financial year 2022-23 by the Board of Directors in respect of the performance of the Board as a whole, the Committee(s) thereof and the Individual Directors. A structured questionnaire covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance was prepared after taking into consideration the Guidance Note issued by SEBI vide circular no CMD/CIR/P/2017/004 dated 5th January, 2017 and Guidance Note issues by the Institute of Company Secretaries of India (ICSI).

The Nomination and Remuneration Committee has envisaged parameters wherein, pursuant to the provisions of Section 134(3), Section 178(2) and Schedule IV of Companies Act, 2013 and applicable SEBI Listing Regulations, the Directors shall evaluate:

- The Performance of the Board as a whole based on the parameters of : Board Meeting & Procedure, Board Development, Board Strategy and Risk Management, Board and Management Relations, Stakeholders value and responsibility.
- The Performance of the Chairman and Managing Director based on the parameters of: Leadership, Strategy Formulation, Strategy Execution, Financial Planning, Relationship with Board, Personal Qualities.
- The Performance of the Committees of the Board based on the parameters of: Constitution, terms of reference, responsibilities and duties, reporting to the Board, approach towards the responsibilities, frequency of meetings.
- The Performance of the Individual Directors based on the parameters of: Professional Qualification, attendance, contributions and value editions in decision making, Leadership, team player, adherence to corporate governance, commitment, Independence in transactions, Integrity, adherence to Code of Conduct.
- The Performance of the Independent Directors based on the parameters of: Independence in transactions, Integrity, adherence to Code of Conduct, Contributions to the Board, Independent

Judgement, mutual trust, Knowledge and expertise.

Succession Planning

The Nomination and Remuneration Committee works with the Board for succession planning for its Directors, KMPs and Senior Management Personnels.

Nomination & Remuneration Policy

The Board of Directors of your Company has in their meeting held on 18th July, 2022 adopted the Nomination and Remuneration Policy as per the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of SEBI Listing Regulations. The Company's Policy for the appointment of Directors, Key Managerial Personnels and Senior Management Personnels and their Remuneration policy can be accessed on the Company's website at the web-link https://www.kamdhenupaints.com/images/policies/KVL_Nomination%20and%20Remuneration%20Policy.pdf

Furthermore, if a person is sought to be appointed as an independent director, the policy seeks to ensure that the proposed appointee fulfills the criteria for independence as laid down under the Companies Act, 2013 and the Listing Regulations.

The policy provides that the remuneration structure for directors including Independent Directors, Key Management Personnel and Senior Management Personnel, are drawn up in a manner that the remuneration is reasonable, justified and in consonance to the market standards and rational enough to retain talent. The structure must respect the organizational goals and provides appropriateness towards the roles and responsibilities delegated. However, while fixing the remuneration for its Directors, Key Managerial Personnel and Senior Management Personnel, care is taken to ensure that the financial prudence is not compromised with and that a reasonable parity commensurate with the level of responsibility and quantum of work handled, is maintained between the remuneration of personnel at different hierarchical level.

The policy also provides for the Criteria of Performance evaluation in parlance with the evaluation requirements as per the Companies Act, 2013 and SEBI Listing Regulations. The detailed performance evaluation criteria as envisaged and adopted by the Nomination and Remuneration Committee has been described in the above para to the report.

CORPORATE GOVERNANCE REPORT (Contd.)

C. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee of your Company has been constituted in line with the requirement of Section 178 of the Companies Act, 2013 read with regulation 20 read with Part D (B) of Schedule II to the SEBI Listing Regulations, to look into the mechanism for redressal of requests/queries/grievances of shareholders.

As on 31st March, 2023, the Committee comprises of 3 (three) Members namely Shri Madhusudan Agarwal, Non-executive Independent Director as the Chairman, Smt. Nishal Jain, Non-Executive - Independent Director and Shri Saurabh Agarwal, Managing Director as the other two members of the Committee.

Shri Nitin Misra, Company Secretary & Compliance Officer also acts as Secretary to the Stakeholders Relationship Committee.

The term of reference of Stakeholder Relationship Committee, inter-alia includes the following:

- to approve requests for share transfers and transmissions.
- to oversee all matters encompassing the shareholders' / investors' related issues.
- Resolving the grievances of the security holders of the Company, including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/ statutory notices by the shareholders of the Company.

The Committee in order to serve the purpose of its creation in a meaningful manner and effectively discharging its responsibility, works in close coordination with the Company Secretarial Department of the Company and the Registrar and Transfer Agent appointed by the Company. The emphasis is always on working closely with each other so that not only the investor grievances are resolved meaningfully and on time, to their utmost satisfaction, but also that suitable measures are taken to prevent the possibility of recurrence of such grievances.

Meetings and attendance during the year:

The Board of Directors of your Company has duly constituted Stakeholders Relationship Committee of the Company on 18th July, 2022. During the financial year 2022-23, the Stakeholders' Relationship Committee (SRC) met only once i.e. on 30th January, 2023.

The attendance record of Committee members in respect of the meetings so held is depicted in the table given below:

S. No	Name of Director	Designation	Attendance in SRC Meeting
			30 th January, 2023
1	Shri Madhusudan Agarwal	Chairman	✓
2.	Shri Saurabh Agarwal	Member	✓
3.	Smt. Nishal Jain	Member	✓

Name and Designation of Compliance Officer

Shri Nitin Misra, Company Secretary is the Compliance Officer of the Company in terms of Regulation 6(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

Statement of Shareholders' Complaints as on 31st March, 2023

The Equity Shares of your Company were listed on both the Stock Exchanges i.e BSE Limited and National Stock Exchange of India Limited on 24th January, 2023.

CORPORATE GOVERNANCE REPORT (Contd.)

During the last quarter of the financial year 2022-23 beginning from 24th January, 2023 to 31st March, 2023, there was only 1 request received from a shareholder that pertained to claim of shares from the suspense account of the Company. The request along with requisite documents was received on the last day of the quarter and the same was resolved in April, 2023 within statutory timelines and thus as on date there are no complaints pending to be resolved.

D. RISK MANAGEMENT COMMITTEE

Pursuant to and in compliance of the Regulation 21 of the SEBI Listing Regulations, as amended upto date, the Board of Directors of the Company has constituted a Risk Management Committee on 18th July, 2022, to oversee implementation of the Risk Management Policy in force in the Company, and monitor and evaluate risks, basis appropriate methodology, processes and systems.

As on 31st March, 2023, the Risk Management Committee of the Board comprises of 5 (Five) members including Shri Sunil Kumar Agarwal, Chairman of the Company as the Chairman of the Committee, Shri Saurabh Agarwal, Managing Director, Shri Madhusudan Agarwal and Smt. Nishal Jain, Non – Executive Independent Directors, Shri Vineet Agarwal, Chief Financial Officer are the other four members of the Committee.

The Risk Management Committee policy has been uploaded on the website of the Company and can be accessed at the web link https://www.kamdhenupaints.com/images/policies/KVL_Risk%20Management%20Policy.pdf.

The term of reference of Risk Management Committee, inter-alia includes the following:

- To monitor and review the risk management policy formulated by the Committee, from time to time, to mitigate the risk affecting the business.
- To ensure the risk evaluation system is effective in the business and its adequately monitoring the risks associated with the business of the Company
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.
- To ensure appropriate fraud control mechanism and cyber security in the system, while dealing with the customers etc.;
- To coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors from time to time.
- Any other matter involving Risk to the asset / business of the Company.

Meetings and attendance during the year:

During the financial year 2022-2023, the Risk Management Committee (RMC) met only once i.e. on 30th January, 2023.

The attendance record of Committee members in respect of the meetings so held is depicted in the table given below:

S. No	Name of Director	Designation	Risk Management Committee Meeting
			30 th January, 2023
1	Shri Sunil Kumar Agarwal	Chairman	√
2.	Shri Saurabh Agarwal	Member	√
3.	Shri Madhusudan Agarwal	Member	√
4.	Smt. Nishal Jain	Member	√
5.	Shri Vineet Agarwal	Member	√



CORPORATE GOVERNANCE REPORT (Contd.)

Remuneration of Directors

i) Executive Directors

Shri Saurabh Agarwal was appointed as Managing Director for a period of three years with effect from 1st June, 2022 to 31st May, 2025 on such remuneration and terms, as approved by the Shareholders of the Company in their 3rd Annual General Meeting of the Company.

Shri Saurabh Agarwal is also Managing Director of Kamdhenu Colour and Coatings Limited, the Wholly Owned Subsidiary of the Company. The Board of Directors of your Company had in their meeting held on 14th June, 2022, discussed and decided that Shri Saurabh Agarwal be remunerated from Kamdhenu Colour and Coatings Limited, where he also renders his services and devotes his time and attention to, which would be equally important for the Company as well as the subsidiary.

Further, the shareholders of the Company had in their Annual General Meeting held on 15th July, 2022, approved that the remuneration to Shri Saurabh Agarwal may be paid either by the Company or by its Subsidiary Company namely Kamdhenu Colour and Coatings Limited in the capacity of Managing Director.

The remuneration (including performance linked incentive) paid to Shri Saurabh Agarwal during financial year 2022-23 is within the limits and conditions approved by the Shareholders and are decided by the Board of Directors on the recommendations of the Nomination and Remuneration Committee (NRC), based on merit, key result areas and Company's performance for the year. None of the Director is eligible for payment of any severance fees and further the service contract, notice period, etc. are not applicable to the Non-executive Directors and for the executive director the same applies as per the terms of appointment. None of the stock options were issued to any of the Directors of the Company.

The details of remuneration paid to Shri Saurabh Agarwal, Managing Director of the Company by the Kamdhenu Colour and Coatings Limited, Wholly Owned Subsidiary of the Company, for financial year 2022-23 are as follows:

S. No.	Name of Director	Service Term	No. of Equity Shares held	Sitting Fees (in ₹)	Salary (including perks) (in ₹) (For financial year 2022-23)	Total
1	Shri. Saurabh Agarwal	1 st June, 2022 to 31 st May, 2025	21,60,314 Equity Shares of having face value of ₹ 5/- each.	NA	₹ 2,40,00,000	₹ 2,40,00,000

The appointment of the Executive Directors is governed by Resolutions passed by the Shareholders of the Company, which cover the terms and conditions of such appointment, read with the service rules of the Company.

ii) Non-Executive Directors

The Non – Executive Directors of the Company are entitled to sitting fees for attending meetings of the Board, Committees of the Company or any other statutory committee required by law for the time being in force.

During the financial year 2022-23, except payment of sitting fees, Non-Executive Independent Directors have not been paid any remuneration/commissions/bonus/severance fees/performance linked incentive or provided any other benefits. As of 31st March, 2023, none of the Non-Executive Independent Director holds any Equity Shares/Stock options except Shri Sunil Kumar Agarwal and Shri Sachin Agarwal (details of shares held by Directors provided in Item No. 2 (iv) of this report). There was no other pecuniary relationship or transaction of the Non-Executive Independent Directors viz-a-viz the Company.

CORPORATE GOVERNANCE REPORT (Contd.)

S. No	Name of Director	Sitting Fees (Amount in ₹)
1.	Shri Madhusudan Agarwal	3,00,000
2.	Shri Ramesh Chand Surana	2,90,000
3.	Smt. Nishal Jain	3,00,000
4.	Shri Sunil Kumar Agarwal	1,55,000
5.	Shri Sachin Agarwal	1,50,000

4. GENERAL BODY MEETINGS

A. Location and time where the last three Annual General Meetings were held:

Annual General Meeting (AGM)	Financial Year	Location of AGM	Date of AGM	Time
3 rd AGM	2021-22	2 nd Floor, Tower-A, Building No. 9, DLF Cyber City, Phase-III, Gurugram, Haryana-122002	15 th July, 2022	12.30 P.M
2 nd AGM	2020-21	2 nd Floor, Tower-A, Building No. 9, DLF Cyber City, Phase-III, Gurugram, Haryana-122002	30 th September, 2021	11:15 A.M
1 st AGM	2019-20	2 nd Floor, Tower-A, Building No. 9, DLF Cyber City, Phase-III, Gurugram, Haryana-122002	26 th September, 2020	11:15 A.M

B. Special resolutions passed in the previous three Annual General Meetings

Annual General Meeting (AGM)	Date of AGM	Details of Special Resolution passed, if any
3 rd AGM	15 th July, 2022	<ol style="list-style-type: none"> Appointment of Shri Saurabh Agarwal (DIN: 00005970) as Managing Director of the Company, liable to retire by rotation. Approval of creation of charges on the movable and immovable properties of the Company in respect of borrowings for an amount not exceeding ₹ 300 Crores outstanding at any point of time. Approval of borrowings in excess of aggregate of paid-up share capital, free reserves and securities premium for an amount not exceeding ₹ 300 Crores outstanding at any point of time. Approval for giving any loan, guarantee or providing security for an amount not exceeding ₹ 300 Crores outstanding at any point of time.
2 nd AGM	30 th September, 2021	NIL
1 st AGM	26 th September, 2020	NIL

CORPORATE GOVERNANCE REPORT (Contd.)

Extra-Ordinary General Meeting of the Company.

Date	Mode of Meeting	Time	Particulars of the Resolutions Passed
18 th July, 2022	Physical at 2 nd Floor, Tower-A, Building No. 9, DLF Cyber City, Phase-III, Gurugram, Haryana-122002	12:30 P.M.	<ol style="list-style-type: none">1. Appointment of Shri Ramesh Chand Surana (DIN: 00089854), as Independent Director of the Company.2. Appointment of Shri Madhusudan Agarwal (DIN: 00338537), as Independent Director of the Company.3. Appointment of Shri Madhusudan Agarwal (DIN: 00338537), as Independent Director of the Company.4. Adoption of New Set of Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013

Postal Ballot during the Financial Year 2022-23

No resolution was passed by means of Postal Ballot during the financial year 2022-23 and as on the date of this report there are no resolutions that are proposed to be passed by Postal Ballot.

5. MEANS OF COMMUNICATIONS

Financial Results: The quarterly, half-yearly and annual financial results of the Company are published as per the requirements of Regulation 33 and 47 of SEBI Listing Regulations, in leading newspapers i.e., in Indian Express (English), all edition, Financial Express (English) all edition and Jansatta (Hindi) all edition. The financial results, press releases and other reports/intimations required under the SEBI Listing Regulations, are filed electronically with National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) and also uploaded on the Company's website at <https://www.kamdhenupaints.com>.

Website: The Company's website i.e. www.kamdhenupaints.com provides comprehensive information on the Company's portfolio of product businesses. For the convenience of investors, an exclusive section of 'Investor Zone' enabling them to access information smoothly is also provided in the website. Further, the Company has in place a separate Tab in the name of 'Disclosures under Regulation 46 of LODR' as mandated by Circulars of BSE and NSE. The Code and Policies of the Company have also been placed separately for easy reach of the members of the Company.

News Releases, Presentations, etc.: There is a separate tab for dissemination of intimation / outcome of Investors/ Analyst Meet, Press Releases, Investor Presentations. The Press release/ Presentations made to analysts/institutional investors are also available on the BSE and NSE.

Annual Report: The Annual Report of the Company is available on the website of the Company at www.kamdhenupaints.com and is also being disseminated on the website of NSE and BSE. Further, it is hereby informed that pursuant to the applicable MCA Circulars and considering the Company's motto of Green Initiative, the Company will be providing the Annual Report electronically to the Shareholders. The Shareholders may however make request for physical copy of the Annual Report by mail to cs@kamdhenupaints.com.

Intimation to the Stock Exchanges: The Company intimates to the Stock Exchanges all price sensitive information or such other matters which in its opinion are material and of relevance to the Shareholders.

Designated exclusive e-mail ID: The Company has the designated e-mail ID of Company Secretary & Compliance Officer of the Company i.e. cs@kamdhenupaints.com for investors servicing.

Further, the Company also sends physical letters to its members, in accordance with the Circulars from BSE, NSE and SEBI, as and when required. Letters were sent to the members of the Company holding shares in physical form to request them to provide KYC and nomination details.

CORPORATE GOVERNANCE REPORT (Contd.)

GENERAL SHAREHOLDER INFORMATION

A. Company Registration Details:

The Company is registered in Haryana, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L51909HR2019PLC089207.

B. 4th Annual General Meeting

Date and Time: 23rd August, 2023 at 4:00 P.M

Venue : The Company will be conducting AGM through VC/ OAVM, deemed venue of the Meeting will be 2nd Floor, Tower-A, Building No.9, DLF Cyber City, Phase-III, Gurugram, Haryana- 122002

C. Profile of Directors seeking appointment/re-appointment:

In terms of the requirement of Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard 2, particulars of Director seeking appointment/re-appointment are provided in the explanatory statement annexed to the Notice of convening the 4th AGM.

D. Financial Year: 1st April, 2023 to 31st March, 2024

Tentative Calendar for Approval of Financial Results is given below:

Board Meetings for approval of:	On or before
Financial Results for the First Quarter ending 30 th June, 2023	14 th August, 2023
Financial Results for the Second Quarter ending 30 th September, 2023	14 th November, 2023
Financial Results for the Third Quarter ending 31 st December, 2023	14 th February, 2023
Audited Financial Results for the financial year ending 31 st March, 2024	30 th May, 2024

E. Dividend Payment Date

The Board of Directors of your Company has not recommended any Dividend for the financial year 2022-23.

F. Date of Book Closure

The Books of the Company are not required to be closed as of now as the Board of the Company has not recommended any dividend for the financial year 2022-23.

G. Name and address of Stock Exchange at which the Equity Shares of the Company are listed and a confirmation about payment of Annual Listing Fee to each of such Stock Exchange(s).

The Equity Shares of the Company are listed at:

Scrip Code: KAMOPAINTS National Stock Exchange of India Limited (NSE), Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai- 400 051	Scrip Code: 543747 BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001
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The ISIN of Kamdhenu Ventures Limited on both the NSDL and CDSL is **INE0BT101029**

The annual listing fee for the financial year 2022-23 has been paid by the Company to both the stock exchanges within the stipulated time.

H. Stock Market Data:

The Shares of the Company were listed on both the stock exchanges i.e BSE Limited and National Stock Exchange of India Limited on 24th January, 2023. Monthly High and Low prices of the equity shares of the Company at the National Stock Exchange of India Limited (Nifty) and BSE Limited (Sensex) during financial year 2022-23 (from 24th January, 2023 to 31st March, 2023) are as under:

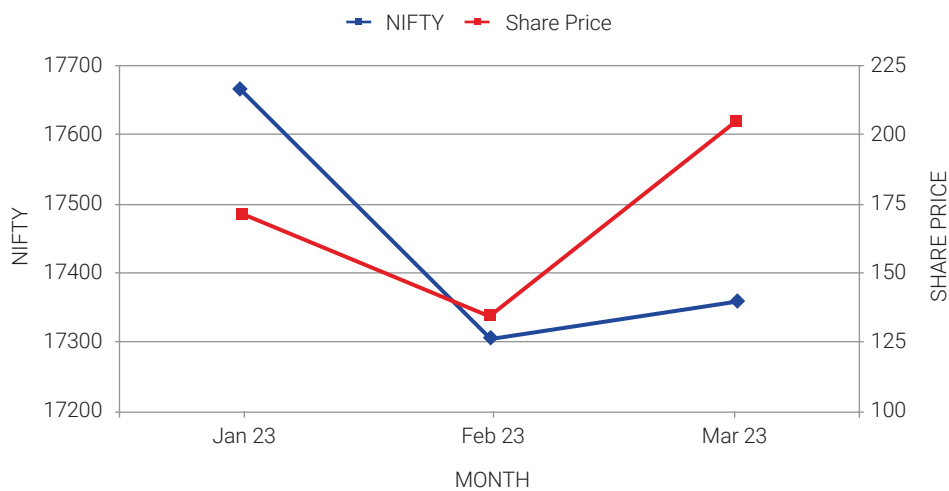
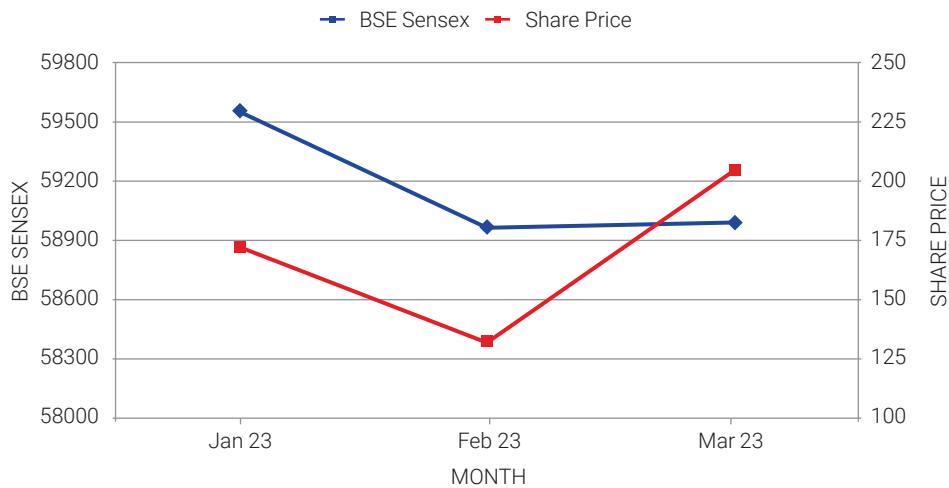
CORPORATE GOVERNANCE REPORT (Contd.)

(in ₹)

Month	Share Price at NSE		Nifty Monthly Closing	Share Price at BSE		Sensex Monthly Closing
	Low	High		Low	High	
January 2023	170.70	208.45	17662.15	169.40	196.75	59549.90
February 2023	131.00	178.00	17303.95	125.60	179.60	58962.12
March 2023	133.00	216.70	17359.75	132.50	216.65	58991.52

Source: This information is compiled from the data available from the website of BSE and NSE.

I. Performance of the Company in comparison to broad-based indices.



CORPORATE GOVERNANCE REPORT (Contd.)

J. Securities of the Company has not been suspended from trading during financial year 2022-23.

K. Registrar and Share Transfer Agents

M/s Skyline Financial Services Private Limited is the Registrar and Share Transfer Agents of the Company for handling the shares related matters both in physical and dematerialized mode and for other correspondence.

The contact details of the Registrar and Transfer Agent, are as under:

Skyline Financial Services Private Limited,

D-153 A, 1st Floor, Okhla Industrial Area,

New Delhi - 110020

Website: <https://www.skylinerta.com>

Email: admin@skylinerta.com

Contact No.: 011-26812682

L. Share Transfer System

SEBI vide its Notification dated 8th June, 2018 amended the SEBI Listing Regulations and mandated that the transfer of securities could be carried out in dematerialized form only effective from 1st April, 2019. Thus, equity Shares of the Company can only be transferred in dematerialized form. Requests for dematerialization of shares are processed and confirmation thereof is given to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services India Limited (CDSL), within the statutory time limit from the date of receipt of share certificates/ letter of confirmation after due verification. In compliance of the provisions of Listing Regulations, the share transfer system of the Company is audited yearly by a Practicing Company Secretary and a certificate to that effect is issued by him/ her.

Further, the Compliance Certificate pursuant to Regulation 40(9) of the SEBI Listing Regulations for the year ended 31st March, 2023 issued by M/s Chandrasekaran & Associates, Practicing Company Secretaries, (FRN: P1988DE002500), have been duly submitted to stock exchanges, where the securities of the Company are listed.

M. (i) Distribution of Shareholding as at 31st March, 2023.

Category	Amount (₹)	No. of Cases	% of Cases	Total Shares	Amount (₹)	% of Amount
Up to 5,000		14,387	93.85	19,98,446	99,92,230	7.28
5,001 - 10,000		422	2.75	6,53,206	32,66,030	2.40
10,001 - 20,000		225	1.47	6,70,536	33,52,680	2.44
20,001 - 30,000		82	0.53	3,87,221	19,36,105	1.55
30,001 - 40,000		39	0.25	2,76,148	13,80,740	1.03
40,001 - 50,000		35	0.23	3,23,705	16,18,525	1.24
50,001 - 1,00,000		59	0.38	9,21,827	46,09,135	3.28
1,00,001 & Above		80	0.52	2,17,04,411	10,85,22,055	80.78
Total		15,329	100.00	2,69,35,500	13,46,77,500	100.00

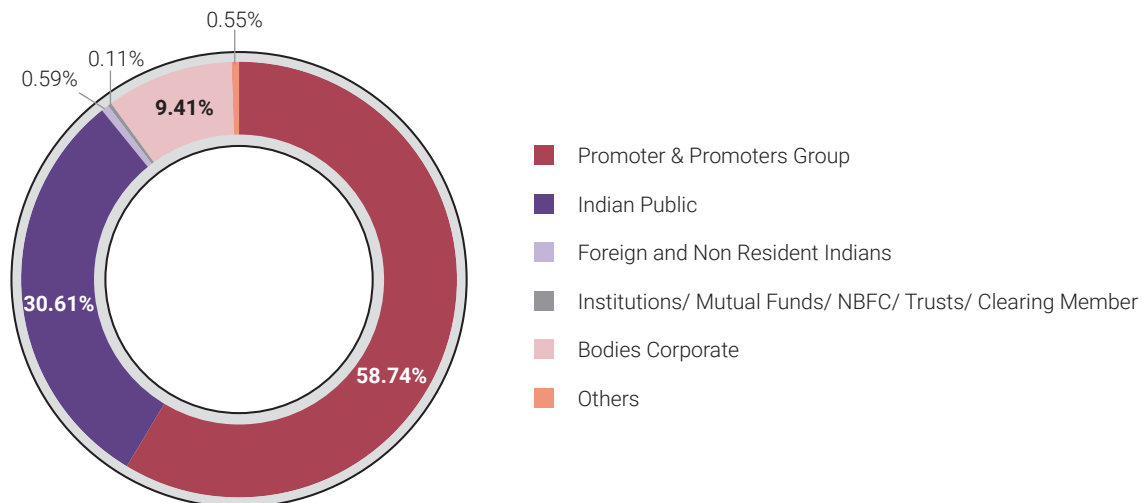
(ii) Ownership Pattern as on 31st March, 2023

S. No	Category	No. of Shareholders	No. of Shares	% to Total Holding
1	Promoters and Promoters Bodies Corporate	18	1,58,20,980	58.74
2	Resident Individuals	14,631	77,12,191	28.63
3	Bodies Corporates	137	25,34,314	9.41
4	Key Managerial Personnel	1	26,932	0.10
5	H U F	353	5,04,560	1.87

CORPORATE GOVERNANCE REPORT (Contd.)

S. No	Category	No. of Shareholders	No. of Shares	% to Total Holding
6	Clearing Members	14	15,851	0.06
7	Mutual Funds	1	4,566	0.02
8	Foreign Portfolio Investors	3	84,134	0.31
9	Non-Resident Indians	144	73,581	0.27
10	I E P F	1	25,999	0.10
11	NBFC	1	2000	0.01
12	Others	25	1,30,392	0.48
	Total	15,329	2,69,35,500	100

Shareholders Categories



N. Dematerialization of Shares & liquidity

The shares of the Company are in compulsory demat segment and are available for trading in the depository systems of both the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

The status of shares held in demat and physical format is given below. The Company's shares are liquid and actively traded on the NSE and BSE.

Particulars	No. of Shareholders	Total Shares	Percentage
Physical	106	232	0.00
NSDL	6301	2,00,38,894	74.40
CDSL	9257	68,96,374	25.60
Total	15664*	2,69,35,500	100.00

* The numbers of shareholders in the above demat status is without PAN consolidation.

International Securities Identification Number (ISIN) allotted to the Company by NSDL and CDSL is **INE0BTI01029**.

O. Dematerialization Outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments, conversion date and likely impact on equity; Not Applicable

P. Commodity price risk or foreign exchange risk and hedging activities.

The Company does not deal in commodities and was not involved in any foreign exchange/hedging activities during the financial year 2022-23, hence the disclosure pursuant to SEBI Circular dated 15th November, 2018 is not required to be given.

CORPORATE GOVERNANCE REPORT (Contd.)

Q. Plant location:

E-538-539A, RIICO Industrial Area,
Chopanki, Distt.-Alwar, Rajasthan-301 707
Phone: 01493-520401-430

R. Address for Correspondence

Kamdhenu Ventures Limited:
2nd Floor, Tower A, Building No. 9,
DLF Cyber City, Phase-III, Gurugram-122002 (Haryana)
Phone: 0124-4604500
Email: cs@kamdhenupaints.com

S. Credit Ratings

No Credit Ratings obtained as on 31st March, 2023.

6. OTHER DISCLOSURES

A. Material Significant Related Party Transactions:

All transactions entered into by the Company with related parties were in the ordinary course of business and on arm's length price basis. Necessary disclosures as required under the Indian Accounting Standards have been made in the Financial Statements.

B. Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years:

The Company has complied with the requirements of the Stock Exchanges / SEBI and Statutory Authorities on all matters related to the capital markets during the last three years. No penalty/strictures were imposed on the Company.

C. Vigil mechanism/ Whistle blower policy:

In line with the requirements under Section 177(9) & (10) of the Act and Regulation 22 of the SEBI Listing Regulations, the Company has in place a Vigil Mechanism and formulated a Whistle Blower Policy in order to provide, a formal channel to its Directors, employees and other stakeholders including customers to approach the Chairman of the Audit Committee and a path for making protected disclosures about the unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. Your Company hereby affirms that no person is denied access to the Chairman of the Audit Committee.

The Whistle-blower Policies and Company's Code of Conduct encourage to promptly report any actual or possible violation of any event that he or she becomes aware of that could affect the business or reputation of the Company. The Company affirms that no complaint has been received through the said mechanism which pertain to the nature of complaints sought to be addressed through this platform.

The Whistle Blower Policy is available on the website of the Company at: https://www.kamdhenupaints.com/images/policies/KVL_Whistle%20Blower%20Policy%20and%20Vigil%20Mechanism.pdf

D. Details of Compliances:

The Company has complied with all the mandatory requirements of the Listing Regulations. The Company has also adopted the following discretionary requirements as provided in the Listing Regulations:

- i. The Internal Auditor functionally reports to the Audit Committee.
- ii. The auditor have expressed an unmodified opinion in their report on the financial statements of the Company.

CORPORATE GOVERNANCE REPORT (Contd.)

E. Investor Education and Protection Fund (IEPF):

In terms of the provisions of Section 124 of the Companies Act, 2013 ('Act'), the dividend that are unclaimed / unpaid for a period of seven years, are to be transferred statutorily to the Investor Education and Protection Fund (IEPF) administered by the Central Government. As on and upto the Closure of financial year 2022-23, the Company has not declared any dividend since incorporation and further has been no such instances of any amount remaining unclaimed or unpaid.

However, In compliance with the provisions of the Act and IEPF Rules and pursuant to the Order of Hon'ble National Company Law Tribunal, Chandigarh Bench sanctioning the Scheme of Arrangement, the Company had issued and allotted shares of ₹ 5 each on mirror shareholding basis to the shareholders of Kamdhenu Limited and since 25999 of Kamdhenu Limited were lying in the demat account of IEPF authority, the Company has during the financial year under review, transferred 25999 equity shares to the demat account of the IEPF Authority.

F. Web link for policy on Material Subsidiary:

The policy to determine a material subsidiary has been framed and the same is disclosed on the Company's website at the link: https://www.kamdhenupaints.com/images/policies/KVL_Policy%20for%20determining%20material%20subsidiary.pdf

The Company has one material subsidiary that is Kamdhenu Colour and Coatings Limited. The details of material subsidiaries including the date and place of incorporation and the name and date of appointment of Statutory Auditors as required pursuant to Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 is as follows:

S. No.	Name of Material Subsidiary	Date of Incorporation	Place of Incorporation	Name of Statutory Auditor	Date of Appointment of Statutory Auditor
1.	Kamdhenu Colour and Coatings Limited	16 th November, 2019	Rajasthan	M/s M.C Bhandari & Co., Chartered Accountants	15 th July, 2022

G. Weblink for policy on Related Party Transaction:

Policy on dealing with related party transactions is available at : https://www.kamdhenupaints.com/images/policies/KVL_Risk%20Management%20Policy.pdf

H. Disclosure of commodity price risks and commodity hedging activities:

Not Applicable

I. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of SEBI Listing Regulations:

During financial year 2022-23 the Company has not raised any fund through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of Listing Regulations. However, the Board of Directors of the Company has in their meeting held on 10th March, 2023 has decided for raising funds by way of issuing 45,00,000 Equity Shares of the Company, on preferential basis to Qualified Institutional Buyers, in terms of Chapter V of the SEBI (ICDR) Regulations, 2018, which was also approved by the Shareholders of the Company in their Extra-Ordinary General Meeting held on 6th April, 2023.

In compliance with the applicable regulation of Chapter V of the SEBI (ICDR) Regulation, 2018, the Company has also received In-Principle approval for Issuance and Allotment of 45,00,000 Equity Shares of Kamdhenu Ventures Limited, on preferential basis to Qualified Institutional Buyers on 10th April, 2023 and further the Company was granted final Trading approval from both the exchanges on 17th April, 2023.

CORPORATE GOVERNANCE REPORT (Contd.)

J. Certificate from a Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

All the Directors of the Company have submitted a declaration stating that they are not debarred or disqualified, by the virtue of any order issued by Securities and Exchange Board of India / Ministry of Corporate Affairs or any other Competent or Statutory Authority, from being appointed or continuing as Directors of Companies. Shri Sachin Sapra (M.No.: FCS 5831, CP No. 5894), Practicing Company Secretary, has submitted a certificate to this effect, which being enclosed at the end of this Report.

K. During the year under review, the Board has accepted all the recommendations of its Committees.

L. Fees paid to Statutory Auditors of the Company:

₹ in Lakhs

Particulars	Year ended 31 st March, 2023		
	Company	Subsidiary	Total
Statutory audit fee	2.70	3.80	6.50
Taxation matters	-	-	-
Total	2.70	3.80	6.50

M. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Number of complaints filed during the financial year 2022-23	0
Number of complaints disposed of during the financial year 2022-23	0
Number of complaints pending as on end of the financial year 2022-23	0

N. Prevention of Insider Trading

The Company has adopted a Code of Conduct to regulate, monitor and report, trading by insider, with a view to regulate trading in shares of the Company by the Directors, Promoter and Designated Employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company's shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the trading window is closed. The Company Secretary is responsible for the implementation of the Code. The Board of Directors and all the designated employees have confirmed the compliance with the Code. Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons is available at: https://dialerpstorage.blob.core.windows.net/40019/Actual_Common_PDF-40019-20230616103108.pdf

O. Disclosure of Loans & Advances provided by Company and its Subsidiaries.

The Company or its Subsidiaries has not provided any Loan or Advance in form of loan to any firm /Companies, in which directors of the Company are interested.

P. Disclosure of the Extent to which the Discretionary Requirements as specified in Part E of Schedule II have Been Adopted

- Shareholder Rights:** Quarterly financial statements are published in leading newspapers and uploaded on Company's website <https://www.kamdhenupaints.com> and also uploaded on the Stock Exchanges where the shares of the Company are listed
- Modified opinion(s) in audit report:** The Company already has a regime of un-qualified financial statements. Auditors have raised no qualification on the financial statements.
- Separate posts of Chairperson and CEO:** Presently, Shri Sunil Kumar Agarwal is the Chairman and Shri Saurabh Agarwal is the Managing Director of the Company.



CORPORATE GOVERNANCE REPORT (Contd.)

- (d) **Reporting of Internal Auditor:** The Board has appointed DMRN & Associates, Chartered Accountants, as the Internal Auditors for conducting the internal audit for the financial year 2022-23, representatives whereof report to the Company Secretary and CFO and has direct access to the Audit Committee.
- (e) **Maintenance of Chairman's office:** The Chairperson of the Company is Non – Executive. However, the Chairpersons office is not maintained at the expense of the Company.

Q. The Company has duly complied with the requirements specified in Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations:

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub – regulation (2) of Regulation 46 and Regulation 34(3) read with Schedule V of the SEBI Listing Regulations and a certificate to this effect has been received from Shri Sachin Sapra (M.No.: FCS 5831, CP No. 5894), Practicing Company Secretary certifying the compliance with the conditions of Corporate Governance and forms a part of this Annual Report.

R. Managing Director and Chief Financial Officer Certification

Shri Saurabh Agarwal, Managing Director and Shri Vineet Agarwal, Chief Financial Officer have issued compliance certificate to the Board pursuant to the provisions of Regulation 17(8) of the SEBI Listing Regulations certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. The said Certificate is annexed and forms part of the Annual Report.

S. Disclosures with respect to demat suspense account/ unclaimed suspense account:

(a) aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year;	Shareholders: 0 Outstanding Shares: 0
(b) number of shareholders who approached listed entity for transfer of shares from suspense account during the year;	1
(c) number of shareholders to whom shares were transferred from suspense account during the year;	NIL
(d) aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year;	Shareholders: 21 Outstanding Shares: 5121
(e) that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.	We also confirm that voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

Date: 18.05.2023

Place: Gurugram

(Saurabh Agarwal)

Managing Director

DIN: 00005970

DECLARATION BY THE MANAGING DIRECTOR ON CODE OF CONDUCT AS REQUIRED BY SCHEDULE V OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

I, Saurabh Agarwal, Managing Director of the Company hereby declare that all the Board Members and Senior Management Personnel have affirmed compliance with Code of Conduct, as applicable to them, in respect of financial year 2022-23.

Date: 18.05.2023

Place: Gurugram

(Saurabh Agarwal)

Managing Director

DIN: 00005970

MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATION

(Pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Financial Year ended 31st March, 2022)

To,
The Board of Directors
Kamdhenu Ventures Limited

We have reviewed the Financial Statements and the Cash Flow Statement for the Financial Year ended 31st March, 2023 and we hereby certify and confirm to the best of our knowledge and belief the following:

- a) The Financial Statements and Cash Flow statement do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- b) The Financial Statements and the Cash Flow Statement together present a true and fair view of the affairs of the Company and are in compliance with existing accounting standards, applicable laws and regulations;
- c) There are no transactions entered in to by the Company during the year ended 31st March, 2023 which are fraudulent, illegal or violative of Company's Code of Conduct;
- d) We accept responsibility for establishing and maintaining internal controls for Financial Reporting and we have evaluated the effectiveness of these internal control systems of the Company pertaining to financial reporting. Deficiencies noted, if any, are discussed with the Auditors and Audit Committee, as appropriate, and suitable actions are taken to rectify the same;
- e) There have been no significant changes in the above mentioned internal controls over financial reporting during financial year 2022-23;
- f) That there have been no significant changes in the accounting policies during financial year 2022-23.
- g) We have not noticed any significant fraud particularly those involving the, management or an employee having a significant role in the Company's internal control system over Financial Reporting.

Date: 18.05.2023
Place: Gurugram

Saurabh Agarwal
Managing Director
DIN: 00005970

Vineet Kumar Agarwal
Chief Financial Officer



CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Members
Kamdhenu Ventures Limited
2nd Floor, Tower A, Building No. 9,
DLF Cyber City, Phase-III, Gurugram,
Haryana-122002

We have examined all relevant records of Kamdhenu Ventures Limited (the Company) for the purpose of certifying of all the conditions of the Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended 31st March, 2023. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof. This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

On the basis of our examination of the records produced explanations and information furnished, we certify that the Company has complied with the conditions of the Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For **Chandrasekaran Associates**

Company Secretaries

FRN: P1988DE002500

Peer Review Certificate No.: 1428/2021

Sachin Sapra

Partner

Membership No.: F5831

Certificate of Practice No.: 5894

UDIN: F005831E000318627

Date: 18.05.2023

Place: Delhi

Note:

For the purpose of issuing the Certificate on Compliance with the conditions of Corporate Governance, we have examined the Secretarial Records including Minutes, Documents, Reports and other records etc. received by way of electronic mode from the Company and could not be verified from the original records. The management has confirmed that the records submitted to us are true and correct.

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

**(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To,
The Members,
Kamdhenu Ventures Limited
2nd Floor, Tower A, Building No. 9,
DLF Cyber City, Phase-III, Gurugram,
Haryana-122002

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Kamdhenu Ventures Limited and having CIN L51909HR2019PLC089207 and having registered office at 2nd Floor, Tower-A, Building No. 9, DLF Cyber City, Phase-III, Gurugram, Haryana - 122002 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers and declarations received from respective Directors, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

S. No.	Name of director	DIN	Date of appointment in Company
1.	Shri Sunil Kumar Agarwal	00005973	19 th October, 2019
2.	Shri Saurabh Agarwal	00005970	19 th October, 2019
3.	Shri Sachin Agarwal	01188710	19 th October, 2019
4.	Shri Madhusudan Agarwal	00338537	18 th July, 2022
5.	Shri Ramesh Chand Surana	00089854	18 th July, 2022
6.	Smt Nishal Jain	06934656	18 th July, 2022

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Chandrasekaran Associates**
Company Secretaries
FRN: P1988DE002500
Peer Review Certificate No.: 1428/2021

Sachin Sapra

Partner

Membership No. F5831

Certificate of Practice No. 5894

UDIN: F005831E000318605

Date: 18.05.2023

Place: Delhi

Note:

- For the purpose of issuing the Certificate of Non-Disqualification of Directors, we have examined the Secretarial Records including Minutes, Documents, Reports and other records etc. and some of them was received by way of electronic mode from the Company and could not be verified from the original records. The management has confirmed that the records submitted to us are true and correct.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF KAMDHENU VENTURES LIMITED

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying standalone financial statements of **KAMDHENU VENTURES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis of Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the

standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.

Information Other than the Standalone Financial Statements and Auditors' Report Thereon

The Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements, consolidated financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this Auditor report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility and Those Charged with Governance for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate

INDEPENDENT AUDITORS' REPORT (Contd.)

accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures

that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

INDEPENDENT AUDITORS' REPORT (Contd.)

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, no remuneration has been paid by the Company to its directors during the year.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. There are no pending litigations requiring disclosure of its impact on its financial position in its standalone financial statements.
 - ii. There are no material foreseeable losses requiring provision as required under applicable laws or accounting standards. The Company did not have any long-term derivative contracts.
 - iii. There are no amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The Management has represented, that, to the best of its knowledge and

INDEPENDENT AUDITORS' REPORT (Contd.)

- belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. In view of losses, the Board of Directors of the company have not proposed final dividend. No Interim dividend was declared or paid during the year.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023 and accordingly reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for financial year ended March 31, 2023.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **M C Bhandari & Co.**

Chartered Accountants
Firm's registration number: 303002E

Ravindra Bhandari

Partner
Membership number: 97466
UDIN: 23097466BGWXXN6089

Place: Gurugram
Date: 18th May 2023

ANNEXURE - A

TO THE INDEPENDENT AUDITORS' REPORT

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls over financial reporting of **KAMDHENU VENTURES LIMITED** ("the Company") as of 31st March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial

controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone financial statements.

Inherent Limitations of Internal financial Controls over financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and

ANNEXURE - A (Contd.) **TO THE INDEPENDENT AUDITORS' REPORT**

not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance

Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **M C Bhandari & Co.**
Chartered Accountants
Firm's registration number: 303002E

Ravindra Bhandari
Partner
Membership number: 097466
UDIN: 23097466BGWXXN6089

Place: Gurugram
Date: 18th May 2023



ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(REFERRED TO IN PARAGRAPH 2 UNDER 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' SECTION OF OUR REPORT TO THE MEMBERS OF KAMDHENU VENTURES LIMITED OF EVEN DATE)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i) (a) There are no Property, Plant and Equipment, hence reporting under clause 3(i)(a) to 3(i)(d) is not applicable.
(b) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016)" and Rules made thereunder.
- ii) (a) There are no inventories, hence, reporting under clause 3(ii)(a) is not applicable.
(b) The Company has not been sanctioned working capital limits in excess of Rs.5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets, hence reporting under clause 3(ii) (b) is not applicable.
- iii) During the year the company has not made any investment in, provided loan or provided advances in the nature of loan or stood guarantee or provided security to any other entity, hence reporting under clause 3(iii) (a) (b) (c) (d) (e) and (f) are not applicable.
- iv) In our opinion and according to the information and explanations given to us, there are no loan investments, guarantees and securities granted during the year requiring compliance of section 185 and 186 of Companies Act, 2013.
- v) The Company has not accepted any deposits or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi) According to the information and explanations given to us, the maintenance of cost records has not been specified by the Central Government under section 148(1) of Companies Act, 2013, hence reporting under clause 3(vi) of the order is not applicable.
- vii) In respect of Statutory Dues:
 - a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and services tax, provident fund, Employees State insurance, Income tax, Sales Tax, duty of Custom, duty of Excise, value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
There were no undisputed amounts payable in respect of Goods and Services Tax, provident Fund, Employees State Insurance, Income Tax, sales Tax, Service Tax, duty of custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.
 - b) There are no statutory dues which have not been deposited as on March 31, 2023 on account of disputes.
- viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix)
 - a) There are no term loan from any bank or financial institution, hence reporting under clause 3(ix) (a) and (c) are not applicable. The Company has taken interest bearing loan from subsidiary company and there are no default in repayment, as applicable.
 - b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any other authority.
 - c) On an overall examination of the financial statements of the Company, funds raised on short- term basis have, prima facie, not been used during the year for long- term purposes by the Company.

ANNEXURE 'B' (Contd.) TO THE INDEPENDENT AUDITOR'S REPORT

- d) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.
- e) The Company has not raised any loans during the year on the pledge of securities held in its subsidiary Company.
- x) a) The Company has not raised money by initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- b) During the year, the Company have issued Equity shares and preference shares to the shareholders of Kamdhenu Limited in the scheme of arrangement duly approved by NCLT Chandigarh (Refer Note No. 22 to standalone financial statement) pursuant to clause 3.9.1 and 3.9.2 of the Scheme. Since No funds against the shares so issued were received, no comments are being offered on whether or not requirements of section 42 and section 62 of Companies Act 2013 have been complied with and whether or not funds raised have been used for the purpose for which funds are raised.
- xi) a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b) No report under sub section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year (and upto the date of this report).
- xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii) In our opinion, the Company is in compliance with the Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv) a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv) In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi) a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a),(b) and (c) of the Order is not applicable.
- b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii) The Company has incurred cash losses of Rs 94.03 lacs during the financial year covered by our audit of Rs 0.35 lacs in the immediately preceding financial year.
- xviii) There has been resignation of statutory auditors during the year and casual vacancy was filled by our appointment as statutory auditor and no issues, objections or concerns were raised by the outgoing auditor which were to be taken into consideration by us.
- xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based



ANNEXURE 'B' (Contd.) **TO THE INDEPENDENT AUDITOR'S REPORT**

on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of audit report indicating that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx) The company is not required to spent on corporate social responsibility, hence reporting under clause xx(a) and xx(b) are not applicable.

For **M C Bhandari & Co.**

Chartered Accountants

Firm's registration number: 303002E

Ravindra Bhandari

Partner

Membership number: 097466

UDIN: 23097466BGWKXN6089

Place: Gurugram

Date: 18th May 2023

STANDALONE BALANCE SHEET

AS AT 31ST MARCH, 2023

(All amount in ₹ Lakhs unless otherwise stated)

Particulars	Note No	As at 31 st March, 2023	As at 31 st March, 2022
ASSETS			
1. Non-Current Assets			
(a) Financial Assets			
(i) Investment in Subsidiary	2	3.04	3.04
(ii) Deemed Investment	2	9,576.05	-
(iii) Other Financial Assets	3	1.00	0.10
(b) Deferred Tax Assets	10	-	0.01
(c) Other Non-Current Assets	4	1.53	-
Total Non-Current Assets		9,581.62	3.15
2. Current Assets			
(a) Financial Assets			
(i) Trade Receivables	5	13.61	-
(ii) Cash and Cash Equivalents	6	5.56	3.18
(b) Other Current Assets	7	6.61	-
Total Current Assets		25.78	3.18
Total Assets		9,607.40	6.33
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	8	1,346.78	3.04
(b) Other Equity	9	7,736.13	(1.98)
Total Equity		9,082.91	1.06
Liabilities			
1. Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	11	509.94	5.00
(ii) Trade Payables	12		
- total outstanding dues of micro enterprises and small enterprises		-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		6.91	0.27
(iii) Other Financial Liabilities	13	3.86	-
(b) Other Current Liabilities	14	3.78	-
Total Current Liabilities		524.49	5.27
Total Liabilities		524.49	5.27
Total Equity and Liabilities		9,607.40	6.33

Significant Accounting Policies

1

The accompanying notes are an integral part of the Standalone Financial Statements.

As per our separate report of even date annexed here with.

For **M.C. BHANDARI & Co.**
Chartered Accountants
FRN: 303002E

For and on behalf of board of directors of
Kamdhenu Ventures Limited

Ravindra Bhandari
Partner
Membership Number: 097466

Sunil Kumar Agarwal
Chairman
DIN: 00005973

Saurabh Agarwal
Managing Director
DIN: 00005970

Date: 18th May, 2023
Place: Gurugram

Vineet Kumar Agarwal
Chief Financial Officer

Nitin Misra
Company Secretary



STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2023

(All amount in ₹ Lakhs unless otherwise stated)

Particulars	Note No	Year ended 31 st March, 2023	Year ended 31 st March, 2022
I Revenue from Operations	15	899.03	-
II Other Income		-	-
III Total Income (I+II)		899.03	-
IV Expenses:			
Purchases of Stock-in-Trade	16	889.15	-
Finance Costs	17	4.52	-
Other Expenses	18	99.39	0.35
Total Expenses (IV)		993.06	0.35
V Profit/(Loss) before exceptional items and tax (III-IV)		(94.03)	(0.35)
VI Profit/(Loss) before tax		(94.03)	(0.35)
VII Tax Expenses:	19		
(1) Current Tax		-	-
(2) Deferred Tax		0.01	(0.00)
Total Tax Expenses		0.01	(0.00)
VIII Profit/(Loss) for the year (VI-VII)		(94.04)	(0.35)
IX Other Comprehensive Income:		-	-
X Total Comprehensive Income/(Loss) for the year (VIII+IX)		(94.04)	(0.35)
XI Earnings per equity share of face value of ₹5 each	20		
Basic (In Rupees)		(0.62)	(1.15)
Diluted (In Rupees)		(0.62)	(1.15)

Significant Accounting Policies

1

The accompanying notes are an integral part of the Standalone Financial Statements.

As per our separate report of even date annexed here with.

For **M.C. BHANDARI & Co.**
Chartered Accountants
FRN: 303002E

For and on behalf of board of directors of
Kamdhenu Ventures Limited

Ravindra Bhandari
Partner
Membership Number: 097466

Sunil Kumar Agarwal
Chairman
DIN: 00005973

Saurabh Agarwal
Managing Director
DIN: 00005970

Date: 18th May, 2023
Place: Gurugram

Vineet Kumar Agarwal
Chief Financial Officer

Nitin Misra
Company Secretary

STANDALONE STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 31ST MARCH, 2023

(All amount in ₹ Lakhs unless otherwise stated)

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before Tax	(94.03)	(0.35)
Non cash adjustment to Profit/(loss) Before Tax:		
Interest expenses	4.29	-
Ind AS adjustment	0.24	-
Operating profit(Loss) before working capital changes	(89.50)	(0.35)
Net Change in		
Trade Receivables	(13.61)	-
Other Financial Assets	(0.90)	-
Other Current Assets	(6.61)	-
Trade Payables	6.64	-
Other Current Liabilities	3.78	-
Cash flow from Operation operating activities	(100.20)	(0.35)
Income Taxes paid (net)	(1.54)	-
Net Cash Flow from Operating Activities (A)	(101.74)	(0.35)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Net Cash Flow from Investing Activites (B)	-	-
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest Paid	(0.43)	-
Proceeds from Borrowings	109.55	3.00
Repayment of Borrowings	(5.00)	-
Net Cash Flow from Financing Activities (C)	104.12	3.00
Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)	2.38	2.65
Opening Balance of Cash and Cash Equivalents	3.18	0.53
Closing Balance of Cash and Cash Equivalents	5.56	3.18

Components of Cash and Cash Equivalents

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Balances with Banks	5.35	2.95
Cash on hand	0.21	0.23
Total	5.56	3.18

Reconciliation Statement of Cash & Bank Balances

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Cash and Cash Equivalent as per above	5.56	3.18
Total	5.56	3.18



STANDALONE STATEMENT OF CASH FLOW (Contd.) FOR THE YEAR ENDED 31ST MARCH, 2023

(All amount in ₹ Lakhs unless otherwise stated)

DISCLOSURE AS REQUIRED BY IND AS 7

Reconciliation of liabilities arising from financing activities

31 st March, 2023	Opening Balance	Cash Flows	Non Cash Changes	Closing Balance
Short term unsecured borrowings	5.00	104.55	400.39	509.94
Long term unsecured borrowings	-	-	-	-
Total	5.00	104.55	400.39	509.94

31 st March, 2022	Opening Balance	Cash Flows	Non Cash Changes	Closing Balance
Short term unsecured borrowings	2.00	3.00	-	5.00
Long term unsecured borrowings	-	-	-	-
Total	2.00	3.00	-	5.00

Significant Accounting Policies 1

The accompanying notes are an integral part of the Standalone Financial Statements.

As per our separate report of even date annexed here with.

For **M.C. BHANDARI & Co.**
Chartered Accountants
FRN: 303002E

Ravindra Bhandari
Partner
Membership Number: 097466

Date: 18th May, 2023
Place: Gurugram

For and on behalf of board of directors of
Kamdhenu Ventures Limited

Sunil Kumar Agarwal
Chairman
DIN: 00005973

Vineet Kumar Agarwal
Chief Financial Officer

Saurabh Agarwal
Managing Director
DIN: 00005970

Nitin Misra
Company Secretary

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2023

(All amount in ₹ Lakhs unless otherwise stated)

A. EQUITY SHARE CAPITAL

Balance as at 1 st April, 2021	Change in equity share capital due to prior period errors	Restated balance as at 1 st April, 2021	Change in equity share capital during the year FY 2021-22	Balance as at 31 st March, 2022
3.04	-	3.04	-	3.04

Balance as at 1 st April, 2022	Change in equity share capital due to prior period errors	Restated balance as at 1 st April, 2022	Cancellation of Equity Share Capital	Issue of Further Shares	Balance as at 31 st March, 2023
3.04	-	3.04	(3.04)	1,346.78	1,346.78

B. OTHER EQUITY

Particulars	Reserve and Surplus		Total
	Other Reserve	Retained Earnings	
Balance as at 1 st April, 2021	-	(1.63)	(1.63)
Addition during the period	-	-	-
Profit / (Loss) for the period	-	(0.35)	(0.35)
Balance as at 31 st March, 2022	-	(1.98)	(1.98)
Balance as at 1st April, 2022	-	(1.98)	(1.98)
Addition during the period on account of surplus arising on de-merger (Refer Note No. 22(d))	7,832.15	-	7,832.15
Profit / (Loss) for the period	-	(94.04)	(94.04)
Balance as at 31st March, 2023	7,832.15	(96.02)	7,736.13

Significant Accounting Policies 1

The accompanying notes are an integral part of the Standalone Financial Statements.

As per our separate report of even date annexed here with.

For **M.C. BHANDARI & Co.**
Chartered Accountants
FRN: 303002E

For and on behalf of board of directors of
Kamdhenu Ventures Limited

Ravindra Bhandari
Partner
Membership Number: 097466

Sunil Kumar Agarwal
Chairman
DIN: 00005973

Saurabh Agarwal
Managing Director
DIN: 00005970

Date: 18th May, 2023
Place: Gurugram

Vineet Kumar Agarwal
Chief Financial Officer

Nitin Misra
Company Secretary



NOTES

TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

CORPORATE INFORMATION

Kamdhenu Ventures Limited ("The Company") is public limited company incorporated and domiciled in India under Companies Act, 2013 ("Act "). The Company's registered office is situated at 2nd Floor, Tower-A, Building No. 9, DLF Cyber City, Phase-III, Gurgaon-122002. Its equity shares are listed at Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The Company is engaged in trading of TMT Bars, structural steel.

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 Statement of Compliance

These Standalone financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as Ind AS) as prescribed under section 133 of the Companies Act, 2013 read with companies (Indian Accounting Standards) Rules as amended from time to time.

These financial statements of the Company were approved by the Board of Directors of the Company in its meeting held on 18th May, 2023.

1.2 Basis of Preparation

The Standalone financial statements of the Company are consistently prepared and presented under historical cost convention on an accrual basis in accordance with Ind AS except for certain financial assets and liabilities that are measured at fair values.

The Company's functional currency and presentation currency is Indian National Rupees (₹). All amounts disclosed in the Standalone financial statements and notes have been rounded off to the nearest Lakhs, except otherwise indicated.

The Company presents its assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is treated as current when it is:

- a) expected to be realized or intended to be sold or consumed in normal operating cycle;
- b) held primarily for the purpose of trading;
- c) expected to be realized within twelve months after the reporting period; or
- d) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when it is:

- a) expected to be settled in normal operating cycle;
- b) held primarily for the purpose of trading;
- c) due to be settled within twelve months after the reporting period; or
- d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle being a period within twelve months for the purpose of current and non-current classification of assets and liabilities. The statement of cash flows has been prepared under indirect method.

1.3 Use of judgments, estimates and assumptions

The preparation of the Company's Standalone financial statements required management to make judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets & liabilities and the accompanying disclosures and the disclosures of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment in the future periods in the carrying amount of assets or liabilities affected.

In accounting policies, management has made judgments in respect of evaluation of recoverability of deferred tax assets, which has the most significant effect on the amounts recognized in the Standalone financial statements.

The following are the key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within:

- a) Useful life of property, plant & equipment and intangible assets: The Company has estimated useful life of the property, plant & equipment as specified in Schedule II to the Companies Act, 2013 or such other modified useful life as disclosed in para 1.4. However the actual useful

NOTES (Contd.) TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

life for individual equipments could turn out to be different, there could be technology changes, breakdown, and unexpected failure leading to impairment or complete discard. Alternately, the equipment may continue to provide useful service well beyond the useful life assumed.

- b) Lease: The Company evaluates if an arrangement qualifies to be a lease as per the requirement of Ind AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In exercising whether the Company is reasonably certain to exercise an option to extend a lease or to exercise an option to terminate the lease, it considers all relevant facts and circumstances that create economic incentive for the Company to exercise the option to extend the lease or to exercise the option to terminate the lease. The Company revises lease term, if there is change in non-cancellable period of lease. The discount rate used is generally based on incremental borrowing rate.

- c) Fair value measurement of financial instruments: When the fair value of financial assets and financial liabilities cannot be measured based on quoted process in active market, the fair value is measured using valuation techniques including book value and the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not possible, a degree of judgment is required in establishing fair values.
- d) Taxes: Taxes have been paid/ provided, exemptions availed, allowances considered etc. are based on the extant laws and the Company's interpretation of the same based on the legal advice received wherever required. These could differ in the view

taken by the authorities, clarifications issued subsequently by the government and courts, amendments to statutes by the government etc

- e) Defined benefit plans: The cost of defined benefit plans and other post-employment benefit plans and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future.
- f) Provisions: The Company makes provisions for leave encashment and gratuity based on report received from the independent actuary. These valuation reports use complex valuation models using not only the inputs provided by the Company but also various other economic variables. Considerable judgment is involved in the process.
- g) Contingencies: A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligations at the end of the reporting period. However, the actual liability could be considerably different.

1.4 Property, Plant and Equipment

Freehold land is carried at historical cost. All other property, plant and equipment are stated at cost, net of recoverable taxes, trade discounts and rebates less accumulated depreciation and impairment loss, if any. The cost of tangible assets comprises its purchase price, borrowing cost, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, initial estimation of any decommissioning obligations and finance cost.

When significant parts of the property, plant and equipment are required to be replaced at intervals, the Company derecognizes the replaced part and recognizes the new part with its own associated useful life and depreciated accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a



NOTES (Contd.) **TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred.

Cost of software directly identified with hardware is recognized along with the cost of hardware.

Stores and spares which meet the definition of property, plant and equipment and satisfy recognition criteria of Ind AS 16 are capitalized as property, plant and equipment.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset is included in the Statement of Profit and Loss when the asset is derecognized.

Capital work-in-progress includes cost of property, plant and equipment which are not ready for their intended use.

The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and changes, if any, are accounted prospectively.

Depreciation on the property, plant and equipment is provided over the useful life of assets as specified in Schedule II to the Companies Act, 2013 using straight line method. Property, plant and equipment which are added/disposed of during the year, depreciation is provided on pro rata basis with reference to the month of addition/deletion.

1.5 Intangible Assets

Intangible assets are recognized only if they are separately identifiable and the Company expects to receive future economic benefits arising out of them. Intangible assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization/depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs and any cost directly attributable to bringing the asset to its working condition for the intended use.

Computer Software is amortized over a period of three years.

Intangible assets with finite lives are amortized on straight line basis over their useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method

for an intangible asset with a finite useful life are reviewed at each year end. The amortized expense on intangible assets with infinite lives and impairment loss is recognized in the Statement of Profit and Loss.

The useful lives of intangible assets are assessed as either finite or indefinite.

Gains or losses arising from de-recognition of an intangible asset are recognized in the Statement of Profit and Loss when the asset is derecognized.

Intangible assets with indefinite useful lives are not amortized but are tested for impairment annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis. The impairment loss on intangible assets with indefinite life is recognized in the Statement of Profit and Loss.

1.6 Impairment of non-financial assets

At each Balance Sheet date, the Company assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognized in the previous periods. If any indication exists or when annual impairment testing for an asset is required, the Company determines the recoverable amount and impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

An asset's recoverable amount is the higher of an asset or Cash-Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

NOTES (Contd.) **TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

1.7 Investment in Subsidiaries, Associates and joint Ventures

Investment in subsidiaries, associates and joint ventures are carried at cost less impairment losses, if any. When an indication of impairment exists, the carrying amount of the investment is assessed and written down to its recoverable amount. On disposal of investment in subsidiary, associates and joint ventures, the difference between net disposal proceeds and the carrying amount are recognized in statement of Profit & loss.

Investment in Equity Instruments

All investment in equity instrument classified under financial assets are initially measured at fair value. The Company may on initial application irrevocably elect to measure the same either at FVOCI or FVTPL.

The Company makes such election on an instrument by instrument basis. Fair value change on an equity instrument is recognized as 'other income' in statement of profit & Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividend on an equity instrument measured at FVOCI are recognized in OCI. Amount recognized in OCI are not subsequently reclassified to statement of Profit & loss. Dividend income on investment in equity instrument are recognized as 'Other Income' in statement of Profit & Loss.

1.8 Cash and cash Equivalents

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

For the purpose of statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above, net of outstanding bank overdrafts as they are considered as an integral part of the Company's cash management.

Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated

with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

Bank Balances other than above

Dividend escrow account balances, deposits with banks as margin money for guarantees issued by the banks, deposits kept as security deposits for statutory authorities are accounted as bank balances other than Cash and Cash equivalents.

1.9 Non-current Assets held for Sale

Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Non-current assets are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets.

Property, plant and equipment and intangible assets are not depreciated or amortized once classified as held for sale.

1.10 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A. Financial Assets:

(i) Classification:

The Company classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income, or fair value through profit and loss on the basis of its business model for managing the financial asset and the contractual cash flow characteristics of the financial asset.

(ii) Initial recognition and measurement:

All financial assets are recognized initially at fair value plus, in the case of financial assets not recognized at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial asset.



NOTES (Contd.) **TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

- (iii) Financial assets measured at amortized cost:
Financial assets are subsequently measured at amortized cost using Effective Interest Rate (EIR) method, if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. The losses arising from the impairment are recognized in the Statement of Profit and Loss.
- (iv) Financial assets at fair value through other comprehensive income:
Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms give rise to cash flows that are solely payments of principal and interest on the principal outstanding.
- (v) Financial assets measured at fair value through profit and loss:
Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in profit and loss.
- (vi) De-recognition of financial assets:
A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

AA. Impairment of Financial Assets

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

B. Financial Liabilities

- (i) Classification:
The Company classifies all financial liabilities as subsequently measured at amortized cost, except for financial liabilities at fair value through profit and loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.
- (ii) Initial recognition and measurement:
All financial liabilities are recognized initially at fair value, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.
- (iii) Subsequent measurement:
All financial liabilities are re-measured at fair value through statement of profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through statement of profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.
- (iv) Loans and borrowings:
Interest bearing loans and borrowings are subsequently measured at amortized cost using effective interest rate (EIR) method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through EIR amortization process. The EIR amortization is included as finance cost in the Statement of Profit and Loss.
- (v) De-recognition of financial liabilities:
A financial liability is derecognized when the obligation under the liability is discharged or canceled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

NOTES (Contd.) **TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

(vi) Derivative financial instruments:

The Company uses derivative financial instruments such as forward currency contracts and options to hedge its foreign currency risks. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. The gain or loss in the fair values is taken to Statement of Profit and Loss at the end of every period. Profit or loss on cancellations/renewals of forward contracts and options are recognized as income or expense during the period.

C. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis to realize the assets and settle the liabilities simultaneously.

1.11 Fair value measurement

The Company measures certain financial assets and financial liabilities including derivatives and defined benefit plans at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a) In the principal market for the asset or liability; or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

All assets and liabilities for which fair value is measured or disclosed in the Standalone financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

1.12 Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

1.13 Provisions, Contingent liabilities, Contingent Assets

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligations at the end of the reporting period. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the changes in the provision due to the passage of time are recognized as an interest cost.

Contingent liabilities are disclosed in the case of:

- a) a present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- b) a present obligation arising from the past events, when no reliable estimate is possible; and



NOTES (Contd.) **TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

- c) a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Contingent assets are not recognized but disclosed in the standalone financial statements when an inflow of economic benefit is probable.

1.14 Employee Benefits

A. Defined Contribution Plans

Retirement benefit in the form of contribution to provident fund and pension fund are charged to statement of Profit and Loss.

B. Defined Benefit Plan (Unfunded)

Gratuity is the nature of a defined benefit plan.

Provision for gratuity is calculated on the basis of actuarial valuation carried out at reporting date and is charged to statement of Profit and Loss. The actuarial valuation is computed using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amount included in net interest on the net defined benefit liability and the return on plan assets (excluding amount included in net interest on the net defined benefit liability) are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurement is not reclassified to profit or loss in subsequent periods.

C. Other Employee Benefits (Unfunded)

Leave Encashment is recognized as an expense in the statement of Profit and Loss account as and when they accrue. The Company determines the liability using the projected unit credit method with actuarial valuations carried out as at Balance Sheet date.

1.15 Revenue Recognition

In accordance with Ind AS 115, the Company recognizes revenue from sale of products & services at a time when performance obligations are satisfied and upon transfer of control of promised products and services to the customer in an amount that reflects the consideration, the Company expects to receive in exchange for their

products or services. The Company disaggregates the revenue based on nature of products.

Dividend Income

Dividend income is recognized when the right to receive is established and there is a reasonable certainty of its collection.

Interest Income

Interest income is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instruments (for example, prepayment, extension, call and similar options) but does not consider the expected credit loss.

Insurance Income

Income in respect of insurance claims recognized on acceptance basis or when there is reasonable certainty that the ultimate collection will be made.

Others

Income in respect of other claims and commissions are measured at fair value and recognized when there is reasonable certainty that the ultimate collection will be made.

1.16 Taxes on Income

Income Tax expenses comprise current tax expenses and the net change in the deferred tax asset or liabilities during the year. Current and Deferred tax are recognized in Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognized in Other Comprehensive Income or directly in equity respectively.

Current Tax

The Company provides current tax based on the provisions of the Income Tax Act, 1961 applicable to the Company.

NOTES (Contd.) **TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

Deferred Tax

Deferred tax is recognized using the Balance Sheet approach. Deferred tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount.

Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or liability is settled, based on tax rates (and tax laws) that have been enacted or substantially enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

1.17 Earnings Per Share

Basic earnings per share are calculated by dividing the profit after tax or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. In case there are any dilutive securities during the period presented, the impact of the same is given to arrive at diluted earnings per share

1.18 Segment Reporting

The operating segments have been identified on the basis of nature of products and the same are accordingly evaluated by the Manager and Board of Directors. The Company's primary operating segment is steel business.

1.19 Leases

In accordance with Ind AS 116, the Company recognizes right of use assets representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of right of use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before commencement date less any lease incentive received plus any initial direct cost incurred and an estimate of cost to be incurred by lessee in dismantling and removing underlying asset or restoring the underlying asset or site on which it is located. The right of use asset is subsequently measured at cost less accumulated depreciation, accumulated impairment losses, if any, and adjusted for any re-measurement of lease liability. The right of use assets is depreciated using the Straight Line Method from the commencement date over the shorter of lease term or useful life of right of use asset. The estimated useful lives of right of use assets are determined on the same basis as those of Property, Plant and Equipment. Right of use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognized in Statement of Profit and Loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

The lease liability is subsequently re-measured by increasing the carrying amount to reflect interest on lease liability, reducing the carrying amount to reflect the lease payments made and re-measuring



NOTES (Contd.) **TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

the carrying amount to reflect any reassessment or lease modification or to reflect revised-in-substance fixed lease payments. The Company recognizes amount of re-measurement of lease liability due to modification as an adjustment to write off use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of right of use assets is reduced to zero and there is further reduction in measurement of lease liability, the Company recognizes any remaining amount of the re-measurement in Statement of Profit and Loss.

The Company has elected not to apply the requirements of Ind AS 116 to short term leases of all assets that have

a lease term of 12 months or less unless renewable on long term basis and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense over lease term.

1.20 Foreign exchange transactions

Foreign currency transactions are accounted for at the exchange rate prevailing on the date of the transaction. All monetary foreign currency assets and liabilities are converted at the exchange rates prevailing at the reporting date. All exchange differences arising on translation of monetary items are dealt with in the Statement of Profit and Loss.

NOTES (Contd.)
FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023

(All amount in ₹ Lakhs unless otherwise stated)

NOTE NO. 2

INVESTMENTS - NON CURRENT

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
a) Investment in Subsidiary Company (Valued at Cost unless stated otherwise) Unquoted Equity instrument-Fully Paid equity share 30,400 of ₹10/- each (PY - 30,400 Equity Shares of ₹ 10/- each)	3.04	3.04
b) Deemed Investment in Kamdhenu Colour and Coatings Limited (Refer Note no 22 (c))	9,576.05	-
Total	9,579.09	3.04

Aggregate cost of investment	3.04	3.04
Aggregate carrying value of investment including deemed investment	9,579.09	3.04

NOTE NO. 3

OTHER FINANCIAL ASSETS - NON CURRENT

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Security deposits	1.00	0.10
Total	1.00	0.10

NOTE NO. 4

OTHER NON CURRENT ASSETS

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Income tax refundable	1.53	-
Total	1.53	-

NOTE NO. 5

TRADE RECEIVABLES - CURRENT

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Trade Receivable - Unsecured Billed Considered good	13.61	-
Total	13.61	-

Note:

- a) The Company has used a practical expedient by computing the Expected Credit Loss allowance based on a provision matrix. The expected credit loss allowance is based on the ageing of the days, the receivables are due and recognizes impairment

**NOTES** (Contd.)**FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023**

(All amount in ₹ Lakhs unless otherwise stated)

loss allowance based on lifetime expected loss on each reported date right from its initial recognition. The provision matrix at the end of each reporting period is as under :

Particulars	As at	As at
	31 st March, 2023	31 st March, 2022
Trade Receivables	13.61	-
Trade Receivables not considered for ECL Matrix	13.61	-
Trade Receivables considered for ECL Matrix	-	-
Movement in allowance for doubtful debts		
Balance at the beginning of the year	-	-
Addition during the year	-	-
Balance at the end of the year	-	-

- b) The concentration of credit risk on trade receivable is limited due to the fact that the customer base is large and is unrelated to each other.
- c) No trade receivable is due from directors & other officers of the Company either singly or severally with any other person or from firm or private companies in which any director is interested as partner/ director.
- d) The Company has assessed the risk of recovery from trade receivable arising on account of Pandemic Covid-19 and based on its assessment, the management of company do not foresee any impact on realisability of Trade receivable. All trade receivable are considered good.

e) Ageing of Trade Receivable as at 31st March, 2023

Particulars	Outstanding for following periods as at 31 st March, 2023 from the date of transactions					Total
	Less than 6 Months	6 Months- 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Trade Receivable-Billed						-
Undisputed Trade Receivable- Considered Good	13.61	-	-	-	-	13.61
Undisputed Trade Receivable- which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivable- credit impaired	-	-	-	-	-	-
Disputed Trade Receivable- Considered Good	-	-	-	-	-	-
Disputed Trade Receivable- which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivable- credit impaired	-	-	-	-	-	-
Total	13.61	-	-	-	-	13.61

Ageing of Trade Receivable as at 31st March 2022

Particulars	Outstanding for following periods as at 31 st March, 2022 from the date of transactions					Total
	Less than 6 Months	6 Months- 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Trade Receivable-Billed						
Undisputed Trade Receivable- Considered Good	-	-	-	-	-	-
Undisputed Trade Receivable- which have significant increase in credit risk	-	-	-	-	-	-

NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023

(All amount in ₹ Lakhs unless otherwise stated)

Particulars	Outstanding for following periods as at 31 st March, 2022 from the date of transactions					Total
	Less than 6 Months	6 Months- 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Receivable- credit impaired	-	-	-	-	-	-
Disputed Trade Receivable- Considered Good	-	-	-	-	-	-
Disputed Trade Receivable- which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivable- credit impaired	-	-	-	-	-	-
Total	-	-	-	-	-	-

NOTE NO. 6

CASH AND CASH EQUIVALENTS - CURRENT

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Balances with Banks	5.35	2.95
Cash on hand	0.21	0.23
Total	5.56	3.18

NOTE NO. 7

OTHER CURRENT ASSETS

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Balance with statutory authorities	6.61	-
Total	6.61	-

NOTE NO. 8

EQUITY SHARE CAPITAL

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Authorised Share Capital:		
Equity Share		
3,01,00,000 Equity shares of face value ₹ 5/- each (Previous Year 50,000 Equity Shares of ₹ 10/- Each)	1,505.00 -	5.00 -
Preference Share		
45,00,000 (Previous Year - Nil) 9% Compulsorily Redeemable Preference shares of face value ₹ 10/- each	450.00	-
Total	1,955.00	5.00
Issued, Subscribed & fully Paid-up Shares		
Equity Share		
2,69,35,500 Equity Shares of ₹ 5/- Each (Previous year 30,400 Equity Shares of ₹ 10/- Each)	1,346.78	3.04
Total	1,346.78	3.04

**NOTES** (Contd.)**FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023**

(All amount in ₹ Lakhs unless otherwise stated)

(a) Reconciliation of the Equity shares outstanding at the beginning and at the end of the year

Particulars	As at	As at
	31 st March, 2023	31 st March, 2022
At the beginning of the year	3.04	3.04
Add: Issued during the period	1,346.78	-
Less: Cancelled as per scheme of arrangement (Refer Note 22(b))	(3.04)	-
Less: Bought back during the year	-	-
At the end of the year	1,346.78	3.04

(b) Details of Shareholders holding more than 5 % Shares in the Company

Name of the Shareholder	As at 31 st March, 2023		As at 31 st March, 2022	
	No. of Shares	% held	No. of Shares	% held
Kamdhenu Limited	-	-	30,400	100.00
Sunil Kumar Agarwal	26,79,490	9.95	-	-
Sarita Agarwal	25,80,787	9.58	-	-
Saurabh Agarwal	21,60,314	8.02	-	-
Sachin Agarwal	19,50,144	7.24	-	-
Satish Kumar Agarwal	17,79,817	6.61	-	-

(c) Details of Promoters holding Shares in the Company

Name of the Promoter	As at 31 st March, 2023			As at 31 st March, 2022		
	No. of Shares	% held	% of change during the year	No. of Shares	% held	% of change during the year
Kamdhenu Limited	-	-	(100%)	30,400	100.00	-
Sunil Kumar Agarwal	26,79,490	9.95	100%	-	-	-
Sarita Agarwal	25,80,787	9.58	100%	-	-	-
Saurabh Agarwal	21,60,314	8.02	100%	-	-	-
Sachin Agarwal	19,50,144	7.24	100%	-	-	-
Satish Kumar Agarwal	17,79,817	6.61	100%	-	-	-
Radha Agarwal	10,58,881	3.93	100%	-	-	-
Shafali Agrawal	7,63,842	2.84	100%	-	-	-
Satish Kumar Agarwal (HUF)	6,07,087	2.25	100%	-	-	-
Shatul Agarwal	4,62,071	1.72	100%	-	-	-
Somya Agarwal	3,74,399	1.39	100%	-	-	-
Sunil Kumar	3,54,821	1.32	100%	-	-	-
Shivani Agarwal	3,29,431	1.22	100%	-	-	-
Priyanka Agarwal	2,83,386	1.05	100%	-	-	-
Ishita Agarwal	2,42,396	0.90	100%	-	-	-
Ayush Agarwal	90,600	0.34	100%	-	-	-
Ayush Agarwal (HUF)	50,000	0.19	100%	-	-	-
Saurabh Agarwal (HUF)	26,757	0.10	100%	-	-	-
Sachin Agarwal (HUF)	26,757	0.10	100%	-	-	-

Name of the Promoter	As at 31 st March, 2022			As at 31 st March, 2021		
	No. of Shares	% held	% of change during the year	No. of Shares	% held	% of change during the year
Kamdhenu Limited	30,400	100	-	30,400	100	-

NOTES (Contd.) FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023

(All amount in ₹ Lakhs unless otherwise stated)

(d) Term/ rights attached to equity shares

The Company has Two types of Shares i.e. Equity Shares Capital and 9% Compulsorily Redeemable Preference shares. The Equity share capital is having face value of ₹ 5 each. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

The repayment of Equity share capital in the event of Liquidation and buy back of Shares are possible subject to prevalent regulations. In the event of Liquidation, normally the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion of shareholding.

NOTE NO. 9

OTHER EQUITY

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
a. Other Reserves		
As per last Balance Sheet	-	-
Add: Addition during the period on account of scheme of arrangement (Refer Note No. 22(d))	7,832.15	-
Less: Deduction during the year	-	-
Total (a)	7,832.15	-
b. Retained Earnings		
As per last Balance Sheet	(1.98)	(1.63)
Add: Profit/(Loss) for the year	(94.04)	(0.35)
Total (b)	(96.02)	(1.98)
Total (a+b)	7,736.13	(1.98)

Nature and purposes of Reserves forming part of other equity are as under :

- (a) Other Reserve: Surplus arising on de-merger (being excess of deemed investment over aggregate face value of new equity and preference shares issued by the Company to the shareholder of Kamdhenu Limited (transferee Company) is other Reserve (Refer Note 22) and is not available for distribution as dividend.
- (b) Retained Earnings: This represents accumulated earnings (losses) by the Company as at balance sheet date.

NOTE NO. 10

DEFERRED TAX (ASSETS) (NET)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Deferred tax assets: on Other Items (Net)	-	0.01
Net Deferred Tax Liability /(Asset)	-	(0.01)

The Company estimates deferred tax credit/ (charge) using the substantively enacted rate of taxation on the impact of timing differences between financial statements and estimated taxable income.

**NOTES** (Contd.)**FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023**

(All amount in ₹ Lakhs unless otherwise stated)

(a) Movement in Deferred Tax Balances

In accordance with Ind AS - 12, the Company has accounted for deferred taxes during the year as under:

Following are the major components of Deferred Tax Liabilities and Deferred Tax Assets:

Particulars	As at 31 st March, 2023					
	Balance as at (1 st April, 2022)	Recognized in profit or (Loss)	Recognized in OCI	Net Deferred Tax	Deferred Tax Liability	Deferred Tax Assets
Other Items (Net)	(0.01)	0.01		-		-
Deferred Tax (Assets) / Liabilities	(0.01)	0.01	-	-	-	-

Particulars	As at 31 st March, 2022					
	Balance as at (1 st April, 2021)	Recognized in profit or (Loss)	Recognized in OCI	Net Deferred Tax	Deferred Tax Liability	Deferred Tax Assets
Other Items (Net)	-	(0.01)		(0.01)		(0.01)
Deferred Tax (Assets) / Liabilities	-	(0.01)	-	(0.01)	-	(0.01)

(b) Movement in Deferred Tax (assets) /Liabilities is as under:-

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Balance at the beginning of the year	(0.01)	(0.01)
Credit/(Charge) to the statement of profit and loss	0.01	(0.00)
Credit/(Charge) to other comprehensive income	-	-
Balance at the end of the year	-	(0.01)

NOTE NO. 11**BORROWINGS - CURRENT**

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Unsecured Loan		
9% Compulsorily Redeemable Preference shares 40,01,582 (CRPS) (Previous Year - Nil)*	400.39	-
Inter Corporate Loan and advances from Related Party	-	5.00
Inter Corporate Loan and advances from Subsidiary Company**	109.55	-
Total	509.94	5.00

* 9% Compulsorily redeemable preference shares of ₹ 10 each was issued to shareholder of Kamdhenu Limited in accordance with Scheme of arrangement duly approved by NCLT Chandigarh.

The term of issue of 9% Compulsorily Redeemable Preference Shares are as under:

Non Cumulative Compulsorily Redeemable

Redemption: Shall be redeemed within a period of 5 years

Call Option: Call option available to Kamdhenu Ventures Limited for early redemption.

** Unsecured Inter Corporate loan taken from subsidiary company is interest bearing @ 8% per annum.

NOTES (Contd.)
FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023

(All amount in ₹ Lakhs unless otherwise stated)

NOTE NO. 12

TRADE PAYABLES - CURRENT

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Total outstandings dues of Micro and Small Enterprises	-	-
Total outstandings dues of creditors other than Micro, and Small Enterprises		
- for Goods	3.51	-
- for Services	3.39	0.27
Total	6.91	0.27

a) Ageing of Trade Payable outstanding as at 31st March, 2023 is as follows:

Particulars	Outstanding for followings periods from the date of transaction				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Trade Payables					
MSME	-	-	-	-	-
Others	6.91	-	-	-	6.91
Disputed dues- MSME	-	-	-	-	-
Disputed dues-Others	-	-	-	-	-
Total	6.91	-	-	-	6.91

b) Ageing of Trade Payable outstanding as at 31st March, 2022 is as follows:

Particulars	Outstanding for followings periods from the date of transaction				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Trade Payables					
MSME	-	-	-	-	-
Others	0.18	0.09	-	-	0.27
Disputed dues- MSME	-	-	-	-	-
Disputed dues-Others	-	-	-	-	-
Total	0.18	0.09	-	-	0.27

NOTE NO. 13

OTHER FINANCIAL LIABILITIES - CURRENT

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Interest Payable on Borrowings	3.86	-
Total	3.86	-

NOTE NO. 14

OTHER CURRENT LIABILITIES

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Statutory dues payable	3.78	-
Total	3.78	-

**NOTES** (Contd.)**FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

(All amount in ₹ Lakhs unless otherwise stated)

NOTE NO. 15**REVENUE FROM OPERATIONS**

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Sale of traded Products	899.03	-
Total	899.03	-

a) The disclosures required by Ind AS 115 are as under:

The Company disaggregates revenue based on nature of products. The revenue disaggregation for the year ended 31st March 2023 is as under:

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Steel -Trading	899.03	-
Total	899.03	-

b) Reconciliation of Revenue

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Gross value of Contracted Price	899.03	-
Less: Variable Component like Discount	-	-
Total	899.03	-

NOTE NO. 16**PURCHASES OF STOCK-IN-TRADE**

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Purchases	889.15	-
Total	889.15	-

NOTE NO. 17**FINANCE COSTS**

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Interest on Loan	4.29	-
Interest components on measurement of financial liabilities (net)	0.24	-
Total	4.52	-

NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

(All amount in ₹ Lakhs unless otherwise stated)

NOTE NO. 18

OTHER EXPENSES

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Auditors Remuneration	2.70	0.18
Bank & other charges	0.01	0.00
Legal & Professional Charges	4.22	0.08
Postage & Courier Charges	0.55	-
Printing & Stationery	9.85	-
Stock exchange Listing Fees	21.10	-
Director Sitting Fees	11.95	-
Rates, Fee & Taxes	27.50	0.09
Authorized share capital increase fees	15.76	-
Miscellaneous Expenses	5.75	-
Total	99.39	0.35

NOTE NO. 19

INCOME TAX RECOGNISED IN STATEMENT OF PROFIT AND LOSS

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Income tax of current year	-	-
Deferred tax of current year	0.01	(0.00)
Total	0.01	(0.00)

The income tax expenses for the year can be reconciled to the accounting profit or loss as follows:

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Profit/(loss) before tax	(94.03)	(0.35)
Applicable tax rate	25.168%	25.168%
Tax at the Indian tax rate of 25.168% (Previous year 25.168%)	-	-
Current Tax (A)	-	-
Increment Deferred Tax Assets on Others	0.01	(0.00)
Deferred Tax (B)	0.01	(0.00)
Tax Expenses recognized in statement of Profit and Loss (A + B)	0.01	(0)
Effective tax rate	(0.01%)	1.04%

**NOTES** (Contd.)**FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

(All amount in ₹ Lakhs unless otherwise stated)

NOTE NO. 20**EARNING PER SHARE (EPS)**

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Basic and Diluted Earnings Per Share		
Profit/(Loss) after tax as per profit & loss account	(94.04)	(0.35)
Weighted No. of equity shares	1,50,63,523	30,400
Basic Earning Per Share (₹)	(0.62)	(1.15)
Diluted Earning Per Share (₹)	(0.62)	(1.15)

NOTE NO. 21**AUDITORS REMUNERATION IN RESPECT OF:**

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Statutory Audit Fees	1.50	0.18
Fee for Interim condensed financial statement	1.00	-
Limited Review report	0.20	-
Total	2.70	0.18

NOTE NO. 22

The National Company Law Tribunal Chandigarh Bench, Chandigarh vide its order dated 3rd June, 2022 approved the scheme of arrangement between Kamdhenu Concast Limited, Kamdhenu Overseas Limited, Kamdhenu Paint Industries Limited, Kamdhenu Infradevelopers Limited, Kamdhenu Nutrients Private Limited, Kay2 Steel Limited, Tiptop Promoters Private Limited (All Transferor company), Kamdhenu Limited (Transferee Company), Kamdhenu Colour and Coatings Limited (Resulting Company) and the company whereby Paint business of Kamdhenu Limited got transferred to and vested in Resulting company and all transferor companies got merged with transferee company under section 230 to 232 read with section 66 of Companies Act 2013. In accordance with the accounting treatment specified in scheme of arrangement, the Company has accounted impact of scheme of arrangement as under:

- New equity shares of ₹ 1346.78 Lakhs and 9% compulsorily redeemable Preference Shares amounting to ₹ 400.16 Lakhs have been issued by the Company to the Shareholders of Kamdhenu Limited pursuant to clause 3.9.1 and 3.9.2 of the scheme.
- Pre-Scheme issued and paid-up share capital of the Company which consists of 30,400 Equity Shares of ₹ 10 each aggregating ₹ 3.04 Lakhs has been cancelled and 30,400 9% Compulsorily Redeemable Preference Shares of ₹ 10 each aggregating ₹ 3.04 Lakhs, has been accounted in place of such cancelled equity share capital as per Clause 3.10 of the Scheme.
- The Company has accounted 'Deemed Investment' (forming part of overall investment) in its books of accounts by an amount equivalent to the Net Assets Value of the Demerged Business vested in the Kamdhenu Colour and Coatings Limited as under:

NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

(All amount in ₹ Lakhs unless otherwise stated)

Amount of assets pertaining to demerged business vested in Kamdhenu Colour and Coatings Limited

	Amount (₹ in Lakhs)
ASSETS	
Non-Current Assets	
(a) Property, Plant and Equipment	4,332.49
(b) Capital work in Progress	99.48
(c) Right of Use Assets	152.62
(d) Financial Assets	
(i) Other Financial Assets	58.96
(e) Other Non-Current Assets	280.17
Total Non-Current Assets	4,923.72
Current Assets	
(a) Inventories	6,103.02
(b) Financial Assets	
(i) Trade Receivables	10,822.21
(ii) Cash and Cash Equivalents	1,001.61
(iii) Bank Balances other than (iii) above	167.89
(iv) Loans	32.91
(v) Other Financial Assets	436.12
(c) Other Current Assets	214.06
Total Current Assets	18,777.83
Total Assets (A)	23,701.55
Less: Amount of Liabilities pertaining to demerged business	
LIABILITIES	
Non-Current Liabilities	
(a) Financial Liabilities	
(i) Borrowings	1,160.83
(ii) Lease Liabilities	88.72
(iii) Other Financial Liabilities	425.86
(b) Provisions	253.86
(c) Deferred Tax Liabilities (Net)	109.26
Total Non-Current Liabilities	2,038.54
Current Liabilities	
(a) Financial liabilities	
(i) Borrowings	3,769.41
(ii) Lease Liabilities	73.78
(iii) Trade Payables	7,275.51
(iv) Other Financial Liabilities	588.44
(b) Other Current Liabilities	342.08
(c) Provisions	37.75
Total Current Liabilities	12,086.96
Total Liabilities (B)	14,125.50
Amount carried as deemed investment in the books of company (A-B)	9,576.05

**NOTES** (Contd.)**FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

(All amount in ₹ Lakhs unless otherwise stated)

- d. Surplus arising on De-merger [being excess of Deemed Investment over the aggregate face value of the new Equity and Preference Shares issued by the Company to the Shareholders of the Kamdhenu Limited], has been credited to the 'Other Reserve', in the books of the Company as under:

Equity Shares issued

	Amount (₹ in Lakhs)
To the Equity shareholder of Kamdhenu Limited (2,69,35,500 Equity Shares of ₹ 5 each)	1,346.78
9% Compulsorily Redeemable Preference shares issued to the shareholders of Kamdhenu Limited* (39,71,200 9% CRPS Shares of ₹ 10 each)	397.12
	1,743.89
Less: Deemed Investment	9,576.05
Amount Carried to Other Reserve	7,832.15

* Pursuant to cancellation of 30,400 Equity shares of ₹ 10 each as per scheme of arrangement approved, 30,400 9% compulsorily redeemable Preference shares of ₹ 10 each aggregated to ₹ 3.04 Lakhs were also issued in addition to ₹ 397.12 Lakhs which aggregates to ₹ 400.16 Lakhs

NOTE NO. 23**RELATED PARTY DISCLOSURES**

Related party disclosures as required by Indian Accounting Standard (Ind AS) -24 is as under:

A. Related Parties and their Relationship

Nature of Relationship	
Key Management Personnel	
Sh. Saurabh Agarwal	Managing Director (Appointment as Managing Director w.e.f. 1 st June, 2022)
Sh. Sunil Kumar Agarwal	Non-executive Director
Sh. Sachin Agarwal	Non-executive Director
Sh. Madhusudan Agarwal	Independent Director (w.e.f. 18 th July, 2022)
Sh. Ramesh Chand Surana	Independent Director (w.e.f. 18 th July, 2022)
Mrs. Nishal Jain	Independent Director (w.e.f. 18 th July, 2022)
Sh. Vineet Kumar Aggarwal	Chief Financial Officer (w.e.f. 9 th September, 2022)
Sh. Nitin Misra	Company Secretary (w.e.f. 18 th July, 2022)
Subsidiary Company	Kamdhenu Colour and Coatings Limited
Company in which Directors are interested	Kamdhenu Concast Limited (Merged with Kamdhenu Limited w.e.f 01.04.2022 as per scheme of arrangement) Kamdhenu Limited

NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

(All amount in ₹ Lakhs unless otherwise stated)

B. Disclosure of Transactions with Related Parties, as required by Ind AS 24 'Related Party Disclosure' is given below:

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Director Sitting Fee		
Shri Sunil Kumar Agarwal	1.55	-
Sh. Sachin Agarwal, Non-excecutive Director	1.50	-
Mrs. Nishal Jain, Independent Director	3.00	-
Shri Madhusudan Agarwal, Independent Director	3.00	-
Shri Ramesh Chand Surana, Independent Director	2.90	-
Total	11.95	-
Intercorporate Loan taken/(Repayment)		
Kamdhenu Colour and Coating Limited	109.55	-
Kamdhenu Concast Limited	(5.00)	3.00
Total	104.55	3.00
Reimbursement of expenses paid by the Company		
Kamdhenu Limited	26.21	-
Total	26.21	-
Interest on Intercorporate Loan taken		
Kamdhenu Colour and Coating Limited	4.29	-
Total	4.29	-
Outstanding Balances		
Balance Payable		
Intercorporate Loan		
Kamdhenu Colour and Coating Limited	109.55	-
Kamdhenu Concast Limited	-	5.00
Total	109.55	5.00
Interest payable on Intercorporate Loan		
Kamdhenu Colour and Coating Limited	3.86	-
Total	3.86	-

NOTE NO. 24

CONTINGENT LIABILITY NOT PROVIDED FOR: NIL

NOTE NO. 25

CAPITAL COMMITMENTS AND OBLIGATION: NIL

NOTE NO. 26

There are no employees in the Company, hence, disclosure as per "Ind AS-19 Employees Benefits" have not been given.

NOTE NO. 27

FINANCIAL RISK MANAGEMENT

The Company's activities expose it to variety of financial risks viz. commodity price risk, credit risk, liquidity risk and capital risk. These risks are managed by the senior management of the Company supervised by the Board of Directors to minimize potential adverse effects on the financial performance of the Company.

i) Commodity Risk

The Company is primarily engaged in the business of trading and therefore presently there is no commodity risk.

**NOTES** (Contd.)**FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

(All amount in ₹ Lakhs unless otherwise stated)

ii) Credit Risk

The Company is primarily engaged in trading business. The item traded are purchase on credit and are sold on credit at varying credit terms, hence there is no credit risk element involved.

iii) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash and another financial asset. The Company's approach to managing liquidity is to ensure as far as possible that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed condition, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of surplus funds. The Company considers liquidity risk as low risk.

iv) Interest Rate Risk

Interest rate is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rate. The Company has not taken term loan and working capital limits from bank. The Company has taken interest bearing loan from subsidiary Company.

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Fixed rate borrowings from subsidiary	109.55	-
Variable rate borrowings	-	-
Total Borrowings	109.55	-

The impact on profit before tax of change in 50 basis points on variable rate borrowings are as under:-

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Increase in 50 basis point	-	-
Decrease in 50 basis point	-	-

v) Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

31 st March, 2023	Carrying amount	CONTRACTUAL CASH FLOWS			
		Within 1 year	1-2 years	2-5 years	More than 5 years
Financial Liabilities					
Borrowings	509.94	509.94	-	-	-
Trade Payables	6.91	6.91	-	-	-
Other financial liabilities	3.86	3.86	-	-	-

31 st March, 2022	Carrying amount	CONTRACTUAL CASH FLOWS			
		Within 1 year	1-2 years	2-5 years	More than 5 years
Financial Liabilities					
Borrowings	5.00	5.00	-	-	-
Trade Payables	0.27	0.27	-	-	-

vi) Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Company monitors capital using gearing ratio which is net debt divided by total equity. The Company do not have any borrowing from bank/financial institutions hence there is no capital risk. The Company has taken interest bearing loan from subsidiary and no risk. 9% Compulsorily Redeemable Preference Shares was issued to shareholder of Kamdhenu Limited in pursuance of scheme of arrangement.

NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

(All amount in ₹ Lakhs unless otherwise stated)

vii) Foreign Exchange Risk

The Company do not have any foreign currency exposure, hence no foreign currency risks.

NOTE NO. 28

FINANCIAL INSTRUMENTS: ACCOUNTING CLASSIFICATION, FAIR VALUE MEASUREMENTS

31 st March, 2023	Carrying Value	Classification			Fair Value		
		FVTPL	FVTOCI	Amortized Cost	Level 1	Level 2	Level 3
Financial Assets:							
Investment	9,579.09	-	-	9,579.09	-	-	-
Other Financial Assets	1.00	-	-	1.00	-	-	-
Trade Receivable	13.61	-	-	13.61	-	-	-
Cash and cash equivalents	5.56	-	-	5.56	-	-	-

31 st March, 2023	Carrying Value	Classification			Fair Value		
		FVTPL	FVTOCI	Amortized Cost	Level 1	Level 2	Level 3
Financial Liabilities:							
Borrowings	509.94	-	-	509.94	-	-	-
Trade Payables	6.91	-	-	6.91	-	-	-
Other Financial Liabilities	3.86	-	-	3.86	-	-	-

FINANCIAL INSTRUMENTS: ACCOUNTING CLASSIFICATION, FAIR VALUE MEASUREMENTS

31 st March, 2022	Carrying Value	Classification			Fair Value		
		FVTPL	FVTOCI	Amortized Cost	Level 1	Level 2	Level 3
Financial Assets:							
Investment	3.04	-	-	3.04	-	-	-
Other Financial Assets	0.10	-	-	0.10	-	-	-
Cash and cash equivalents	3.18	-	-	3.18	-	-	-

31 st March, 2022	Carrying Value	Classification			Fair Value		
		FVTPL	FVTOCI	Amortized Cost	Level 1	Level 2	Level 3
Financial Liabilities:							
Borrowings	5.00	-	-	5.00	-	-	-
Trade Payables	0.27	-	-	0.27	-	-	-
Other Financial Liabilities	-	-	-	-	-	-	-

NOTE NO. 29

a) Operating Segment

The Company operates in Single Segment of trading of TMT Steel Bars, hence, there are no reportable operating segment.

b) Information about geographical areas

The following information discloses revenue from external customers based on geographical area.

i) Revenue from external customers (net of discounts, credit notes, etc.)	Year ended 31 st March, 2023	Year ended 31 st March, 2022
India	899.03	-
Outside India	-	-

**NOTES** (Contd.)**FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

(All amount in ₹ Lakhs unless otherwise stated)

- ii) None of the non-current assets are located outside India.
- iii) The details of no. of customer contributing 10% or more of the Company's total revenue during the year ended 31st March, 2023 and 31st March, 2022 are as under :-

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
No. of customers	4	-
Amount	856.89	-

NOTE NO. 30**FINANCIAL RATIOS**

Ratio	Numerator	Denominator	Year ended 31 st March, 2023	Year ended 31 st March, 2022	% of Change in ratio in current year as compared to preceding year	Reason for change in ratio by more than 25% as compared to preceding year
Current ratio (in times)	Total Current Assets	Total Current Liabilities	0.05	0.60	(91.85%)	Due to increase in borrowings
Debt equity ratio (in times)	Debts consists of borrowings from bank , CRPS and lease liabilities.	Total Equity	0.06	4.73	(98.81%)	Due to increase in borrowings
Debt service coverage ratio (in times)	Earning for debt service= Net Profit after tax+non Operating expenses+Interest Expenses+Other non cash adjustment	Debt Service = Interest Expenses+principal Repayment of Debt+Payment Lease Liabilities	(19.79)	-	NA	NA
Return on equity ratio (in %)	Profit/(loss) after tax	Total Equity	(1.04%)	(33.11%)	(96.9%)	Due to increase in other equity on account of de-merger.
Inventory Turnover ratio (in times)	Turnover excluding royalty	Average inventory	NA	NA	NA	NA
Trade receivable turnover ratio (in times)	Total Turnover	Average Closing trade Receivable	66.06	-	NA	NA
Trade payable turnover ratio (in times)	Cost of material Consumed+ Purchase	Average Closing trade Payable	128.68	-	NA	NA
Net Capital turnover ratio (in times)	Total Turnover	Working capital = Current assets-current liabilities	(1.80)	-	NA	NA
Net Profit ratio (in %)	Profit/(loss) after tax	Total Turnover	(10.46%)	-	NA	NA
Return on capital employed (in %)	Profit/(loss) before tax and interest expenses	Capital employed =Net worth +Borrowings +Lease liabilities +Deferred tax liabilities.	(0.93%)	(5.72%)	(83.70%)	Due to increase in other equity on account of de-merger.

NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

(All amount in ₹ Lakhs unless otherwise stated)

NOTE NO. 31

STANDARDS ISSUED AND AMENDED BUT NOT EFFECTIVE

The Ministry of Corporate Affairs (MCA) notifies new Indian Accounting Standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23rd March, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023 applicable from 1st April, 2023, as below:

IND AS 1- Presentation of Financial Statements - The amendments requires companies to disclose their material accounting policy rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statement.

IND AS 12- Income Taxes - The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transaction that, on initial recognition, give raise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors - The amendments will help entities to distinguish between accounting policies and accounting estimates, the definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statement that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require item in financial statement to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

NOTE NO.32

No funds have been advanced/loaned/invested (from borrowed fund or from share premium or from any other sources/kind of fund) by the Company to any er person(s) or entity(ies), including foreign entities(intermediaries), with the understanding (whether recorded in writing or otherwise) that the intermediary shall (i) directly or indirectly lend or invest in other peron or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or like to or on behalf of the Ultimate Beneficiaries.

No funds have been received by the Company from any person(s) or entity(ies), including foreign entities (funding Parties), with the understanding (whether recorded in writing or otherwise) that the Company shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

NOTE NO. 33

The Indian parliament has approved the Code of Social Security, 2020 which would impact the contribution by the Company towards providend fund and gratuity. The Ministry of Labour and Employment has relesed draft rules for Code on Social Security, 2020 on 13th November, 2020. The Company will assess the impact and its evaluation once the subject rules are notified. The Company will give appropriate impact in its financial statement in the period in which, the code become effective and the related rules to determine the financial impact are published.

NOTE NO. 34

ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE-III OF COMPANIES ACT 2013

1) Relationship with struck off Companies: The Company do not have any relationship with companies struck off under section 248 of Companies Act 2013 or Section 560 of Companies Act 1956.

**NOTES** (Contd.)**FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

(All amount in ₹ Lakhs unless otherwise stated)

- 2) **Details of Benami Property:** No proceedings have been initiated or are pending against the Company for holding any Benami property under Benami Transactions (Prohibition) Act 1988 and the Rules made thereunder.
- 3) **Compliance with numbers of layer of Companies:** The Company has complied with the number of layers prescribed under Companies Act 2013.
- 4) **Compliance with approved Scheme of Arrangement:** In pursuance of scheme of arrangement duly approved by Hon'ble NCLT of Chandigarh from appointed date of 1st April 2022, the Company have taken accounting impact in current year in accordance with accounting treatment given in the Scheme and no deviation was observed (Refer Note 22).
- 5) **Undisclosed Income:** There is no income surrendered or disclosed as income during current or previous year in the tax assessment under the Income Tax Act 1961 that has not been recorded in books of accounts.
- 6) **Details of Crypto Currency or Virtual Currency:** The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.
- 7) **Registration of Charges:** There are no charges or satisfaction of charge which are yet to be registered with ROC beyond the statutory period.
- 8) **Wilful Defaulter:** The Company has not been declared a wilful defaulter by any bank or financial institution or government or any government authorities during the year.

NOTE NO. 35

There are no events after reporting date requiring disclosure.

NOTE NO. 36

Previous year figures are regrouped or rearranged where necessary.

The accompanying notes are an integral part of the financial statements.

As per our separate report of even date annexed herewith

For **M.C. BHANDARI & Co.**
Chartered Accountants
FRN: 303002E

Ravindra Bhandari
Partner
Membership Number: 097466

Date: 18th May, 2023
Place: Gurugram

For and on behalf of board of directors of
Kamdhenu Ventures Limited

Sunil Kumar Agarwal
Chairman
DIN: 00005973

Vineet Kumar Agarwal
Chief Financial Officer

Saurabh Agarwal
Managing Director
DIN: 00005970

Nitin Misra
Company Secretary

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF KAMDHENU VENTURES LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying consolidated financial statements of **KAMDHENU VENTURES LIMITED** ("the Holding Company") and its subsidiary company incorporated in India (the Company and its subsidiary together referred to as "the Group") as per list annexed, which comprise the Consolidated Balance Sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, the consolidated loss, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no matters to be the key audit matters to be communicated in our report.

Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

The Holding Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of the audit report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of the adequate



INDEPENDENT AUDITORS' REPORT (Contd.)

accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of consolidated financial statements by the directors of Holding company.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion,

forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the holding Company and its subsidiary companies which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work

INDEPENDENT AUDITORS' REPORT (Contd.)

and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance of holding company and subsidiary company incorporated in India included in financial statement of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the holding Company as on March 31, 2023 taken on record by the Board of Directors of the holding Company, and of subsidiary company incorporated in India, none of the directors of the holding Company and its subsidiary company incorporated in India is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy and the operating effectiveness of the internal financial control over financial reporting with reference to these consolidated financial statements of the Holding company and its subsidiary company incorporated in India, refer to our separate report in annexure 1 to this report.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the subsidiary Company to its directors during the year is in accordance with the provisions of section 197 of the Act. No remuneration has been paid by the company to its directors during the year.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us.
 - i. The consolidated financial statements discloses impact of pending litigations on the consolidated financial position of the Group.
 - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses. The Group did not have any long-term derivative contract.
 - iii. There are no amounts, required to be transferred, to the Investor Education and Protection Fund by the holding Company and subsidiary company incorporated in India.



INDEPENDENT AUDITORS' REPORT (Contd.)

- iv) (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v) In view of losses, the Board of Directors of the company have not proposed final dividend. No Interim dividend was declared or paid during the year.
- vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023 and accordingly reporting under Rule 11 (g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for financial year ending March 31, 2023.
2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiary company incorporated in India included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For **M C Bhandari & Co.**

Chartered Accountants

Firm's registration number: 303002E

Ravindra Bhandari

Partner

Membership number: 097466

UDIN: 23097466BGWKP5643

Place: Gurugram

Date: 18th May 2023

ANNEXURE - A

TO THE INDEPENDENT AUDITORS' REPORT,

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March 2023, we have audited the internal financial controls over financial reporting of **KAMDHENU VENTURES LIMITED** ("the Holding Company") as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Holding Company and of subsidiary company incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



ANNEXURE - A (Contd.) **TO THE INDEPENDENT AUDITORS' REPORT,**

Inherent Limitations of Internal Financial Controls over financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and subsidiary company incorporated in India, have, in all material respects, an adequate internal financial controls system over financial

reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **M C Bhandari & Co.**

Chartered Accountants

Firm's registration number: 303002E

Ravindra Bhandari

Partner

Membership number: 097466

UDIN: 23097466BGWKXP5643

Place: Gurugram

Date: 18th May 2023

Annexure I: List of entities consolidated as at 31 March 2023

1. Kamdhenu Colour and Coatings Limited - Wholly owned Subsidiary

CONSOLIDATED BALANCE SHEET

AS AT 31ST MARCH, 2023

(All amount in ₹ Lakhs unless otherwise stated)

Particulars	Note No	As at 31 st March, 2023	As at 31 st March, 2022
ASSETS			
1. Non-Current Assets			
(a) Property, Plant and Equipment	1	4,366.50	-
(b) Capital work in Progress	1.2	97.27	-
(c) Right of Use Assets	1.3	106.85	-
(d) Goodwill on consolidation		0.43	0.43
(e) Financial Assets			
(i) Other Financial Assets	3	65.48	0.20
(f) Deferred Tax Assets(Net)	18	-	0.02
(g) Other Non-Current Assets	4	81.91	-
Total Non-Current Assets		4,718.44	0.65
2. Current Assets			
(a) Inventories	5	5,872.50	-
(b) Financial Assets		-	-
(i) Trade Receivables	6	10,360.09	-
(ii) Cash and Cash Equivalents	7	253.36	4.32
(iii) Bank Balances other than (ii) above	8	160.00	-
(iv) Loans	9	19.79	-
(v) Other Financial Assets	10	165.35	-
(c) Other Current Assets	11	398.55	-
Total Current Assets		17,229.64	4.32
Total Assets		21,948.08	4.97
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	12	1,346.78	3.04
(b) Other Equity	13	6,701.59	(3.52)
Total Equity		8,048.37	(0.48)
Liabilities			
1. Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	771.58	-
(ii) Lease Liabilities	15	30.87	-
(iii) Other Financial Liabilities	16	509.15	-
(b) Provisions	17	297.67	-
(c) Deferred Tax Liabilities (Net)	18	130.80	-
Total Non-Current Liabilities		1,740.07	-
2. Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	19	4,796.54	5.00
(ii) Lease Liabilities	20	81.29	-
(iii) Trade Payables	21		
- total outstanding dues of micro enterprises and small enterprises		1,059.99	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		5,340.11	0.45
(iv) Other Financial Liabilities	22	422.68	-
(b) Other Current Liabilities	23	419.41	-
(c) Provisions	24	39.62	-
Total Current Liabilities		12,159.64	5.45
Total Liabilities		13,899.71	5.45
Total Equity and Liabilities		21,948.08	4.97

Significant Accounting Policies

A

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our separate report of even date annexed here with.

For **M.C. BHANDARI & Co.**
Chartered Accountants
FRN: 303002E

For and on behalf of board of directors of
Kamdhenu Ventures Limited

Ravindra Bhandari
Partner
Membership Number: 097466

Sunil Kumar Agarwal
Chairman
DIN: 00005973

Saurabh Agarwal
Managing Director
DIN: 00005970

Date: 18th May, 2023
Place: Gurugram

Vineet Kumar Agarwal
Chief Financial Officer

Nitin Misra
Company Secretary



CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2023

(All amount in ₹ Lakhs unless otherwise stated)

Particulars	Note No	Year ended 31 st March, 2023	Year ended 31 st March, 2022
I Revenue from Operations	25	25,950.36	-
II Other Income	26	36.09	-
III Total Income (I+II)		25,986.45	-
IV Expenses:			
Cost of Materials Consumed	27	11,726.03	-
Purchases of Stock-in-Trade	28	4,871.21	-
Changes in Inventory of Finished Goods, Work-in-Process and Stock-in-Trade	29	433.81	-
Employees Benefits Expense	30	2,600.81	-
Finance Costs	31	605.51	-
Depreciation & Amortization Expense	32	490.15	-
Other Expenses	33	6,364.16	0.68
Total Expenses (IV)		27,091.68	0.68
V Profit/Loss before tax (III-IV)		(1,105.23)	(0.68)
VI Tax Expenses:			
(1) Current Tax		-	-
(2) Deferred Tax		21.62	0.01
Total Tax Expenses		21.62	0.01
VII Profit/ Loss for the year (V-VI)		(1,126.85)	(0.69)
VIII Other Comprehensive Income:			
A. Items that will not be reclassified to profit or loss:			
(i) Actuarial (Losses)/ Gain on defined benefit plans		(0.25)	-
(ii) Tax impact on above		0.06	-
Total other Comprehensive Income:		(0.19)	-
IX Total Comprehensive Income for the year (VII+VIII)		(1,127.04)	(0.69)
Profit for the year attributable to:			
Equity holders of the parent		(1,126.85)	(0.69)
Non-controlling interests		-	-
Other comprehensive Income for the year attributable to:			
Equity holders of the parent		(0.19)	-
Non-controlling interests		-	-
Total Comprehensive Income for the year attributable to:			
Equity holders of the parent		(1,127.04)	(0.69)
Non-controlling interests		-	-
X Earnings per equity share of face value of ₹ 5 each	36		
Basic (In ₹)		(7.48)	(2.27)
Diluted (In ₹)		(7.48)	(2.27)

Significant Accounting Policies

A

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our separate report of even date annexed here with.

For **M.C. BHANDARI & Co.**
Chartered Accountants
FRN: 303002E

For and on behalf of board of directors of
Kamdhenu Ventures Limited

Ravindra Bhandari
Partner
Membership Number: 097466

Sunil Kumar Agarwal
Chairman
DIN: 00005973

Saurabh Agarwal
Managing Director
DIN: 00005970

Date: 18th May, 2023
Place: Gurugram

Vineet Kumar Agarwal
Chief Financial Officer

Nitin Misra
Company Secretary

CONSOLIDATED STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 31ST MARCH, 2023

(All amount in ₹ Lakhs unless otherwise stated)

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before Tax	(1,105.23)	(0.68)
Non cash adjustment to Profit/(Loss) Before Tax:		
Interest Income	(20.11)	-
Depreciation and amortization	490.15	-
Bad Debt	58.68	-
Interest expenses	575.12	-
Remeasurement of the Defined Benefit Plan	53.63	-
Loss/ (Gain) on disposal of Property, Plant and Equipment	0.88	-
Ind AS adjustment	11.16	-
Provision for Doubtful Debts	98.59	-
Operating profit before working capital changes	162.87	(0.68)
Net Change in		
Inventories	230.53	-
Trade Receivables	304.81	-
Other Bank Balances	7.89	-
Other Financial Assets	180.16	-
Other Current Assets	(69.93)	-
Other Non Current Assets	208.79	-
Trade Payables	(875.84)	-
Other Current Financial Liabilities	(259.14)	-
Other Current Liabilities	77.33	0.01
Provision	(8.20)	-
Other Non-Current Financial Liabilities	70.47	-
Cash flow from operating activities	29.74	(0.67)
Income Taxes paid (net)	(10.54)	-
Net Cash Flow from Operating Activities (A)	19.20	(0.67)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Payment for acquisition of Property, Plant and Equipment & Capital WIP	(342.13)	-
Interest Received	15.10	-
Net Cash Flow from Investing Activities (B)	(327.03)	-
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest Paid	(571.26)	-
Payment of Lease Liabilities	(105.97)	-
Net Change in Borrowings	232.49	3.00
Net Cash Flow from Financing Activities (C)	(444.74)	3.00
Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)	(752.57)	2.33
Opening Balance of Cash and Cash Equivalents	4.32	1.99
Addition as at 1 st April, 2022 on account of de-merger of Paint business (Refer note no 38(c))	1,001.61	-
Re-stated Balance as at 1st April, 2022	1,005.93	1.99
Closing Balance of Cash and Cash Equivalents	253.36	4.32



CONSOLIDATED STATEMENT OF CASH FLOW (Contd.) FOR THE YEAR ENDED 31ST MARCH, 2023

(All amount in ₹ Lakhs unless otherwise stated)

Components of Cash and Cash Equivalents

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Balances with Banks	248.60	3.77
Cash on hand	4.76	0.55
Total	253.36	4.32

Reconciliation Statement of Cash & Bank Balances

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Cash and Cash Equivalent as per above	253.36	4.32
Deposits with maturity for more than 3 month but less than 12 month	160.00	-
Total	413.36	4.32

DISCLOSURE AS REQUIRED BY IND AS 7

Reconciliation of liabilities arising from financing activities

31 st March, 2023	Short term secured borrowings	Long term secured borrowings
Opening Balance	5.00	-
Addition as at 1 st April, 2022 on account of demerger of paints business in the Company (Refer Note No 38 (c))	3,769.41	1,160.83
Cash Flow	621.74	(389.25)
Non Cash changes	400.39	-
Total	4,796.54	771.58

31 st March, 2022	Short term secured borrowings	Long term secured borrowings
Opening Balance	2.00	-
Cash Flow	3.00	-
Total	5.00	-

Significant Accounting Policies

A

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our separate report of even date annexed here with.

For **M.C. BHANDARI & Co.**
Chartered Accountants
FRN: 303002E

For and on behalf of board of directors of
Kamdhenu Ventures Limited

Ravindra Bhandari
Partner
Membership Number: 097466

Sunil Kumar Agarwal
Chairman
DIN: 00005973

Saurabh Agarwal
Managing Director
DIN: 00005970

Date: 18th May, 2023
Place: Gurugram

Vineet Kumar Agarwal
Chief Financial Officer

Nitin Misra
Company Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2023

(All amount in ₹ Lakhs unless otherwise stated)

A. EQUITY SHARE CAPITAL

Balance as at 1 st April, 2021	Change in equity share capital due to prior period errors	Restated balance as at 1 st April, 2021	Change in equity share capital during the year 2021-22	Balance as at 31 st March, 2022
3.04	-	3.04	-	3.04

Balance as at 1 st April, 2022	Change in equity share capital due to prior period errors	Restated balance as at 1 st April, 2022	Cancellation of Equity Share Capital	Issue of Further Shares	Balance as at 31 st March, 2023
3.04	-	3.04	(3.04)	1,346.78	1,346.78

B. OTHER EQUITY

Particulars	Reserve and Surplus		Other Comprehensive Income	Total
	Other Reserve	Retained Earnings	Actuarial (Losses)/ Gain on defined benefit plans	
Balance as at 1 st April, 2021		(2.83)	-	(2.83)
Addition during the year				-
Profit / (Loss) for the year	-	(0.69)	-	(0.69)
Balance as at 31 st March, 2022	-	(3.52)	-	(3.52)
Balance as at 1 st April, 2022	-	(3.52)	-	(3.52)
Addition during the year on account of surplus arising on de-merger (Refer Note No. 38(d))	7,832.15	-	-	7,832.15
Profit / (Loss) for the year	-	(1,126.86)	(0.19)	(1,127.05)
Balance as at 31st March, 2023	7,832.15	(1,130.38)	(0.19)	6,701.59

Significant Accounting Policies

A

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our separate report of even date annexed here with.

For **M.C. BHANDARI & Co.**
Chartered Accountants
FRN: 303002E

For and on behalf of board of directors of
Kamdhenu Ventures Limited

Ravindra Bhandari
Partner
Membership Number: 097466

Sunil Kumar Agarwal
Chairman
DIN: 00005973

Saurabh Agarwal
Managing Director
DIN: 00005970

Date: 18th May, 2023
Place: Gurugram

Vineet Kumar Agarwal
Chief Financial Officer

Nitin Misra
Company Secretary



NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE: A

CORPORATE INFORMATION

Kamdhenu Ventures Limited ("The Company") is public limited company incorporated and domiciled in India. These Consolidated Financial Statement ("the CFS") relate to the Company and its subsidiary (Collectively referred to as the "Group" under Companies Act, 2013 ("Act "). The Company's registered office is situated at 2nd Floor, Tower-A, Building No. 9, DLF Cyber City, Phase-III, Gurgaon-122002. The shares of the Company are listed at Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The Group is engaged in trading of TMT Bars, structural steel and manufacturing of paints products.

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 Statement of Compliance

These Consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as Ind AS) as prescribed under section 133 of the Companies Act, 2013 read with companies (Indian Accounting Standards) Rules as amended from time to time.

These consolidated financial statements of the Company were approved by the Board of Directors of the Company in its meeting held on 18th May, 2023.

1.2 Principles of Consolidation

The Consolidated financial statements relates to Kamdhenu Ventures Limited ("the Company") and its subsidiary company. The Consolidated financial statements have been prepared on the following basis:

- 1) The financial statements of the Company and its subsidiary are combined on a line by line basis by adding together like items of assets, liabilities, equity, incomes, expenses, and cash flows, after fully eliminating intra-group balances and intra-group transactions.
- 2) Where the cost of the investment is higher/lower than the share of equity in the subsidiary at the time of acquisition, the resulting difference is disclosed as goodwill/ capital reserve in the investment schedule. The Goodwill is not amortized, however, it is tested for impairment at each Balance sheet date and the impairment if any, is provided for in the consolidated statement of Profit and loss.
- 3) Offset (eliminate) the carrying amount of the parent's Investment in each subsidiary and the parent's portion equity of each subsidiary.
- 4) The difference between the proceeds from disposal of investment in subsidiary and the carrying amount of its assets less liabilities as on the date of disposal is recognized in the consolidated statement of profit and Loss being the profit or loss on disposal of investment in subsidiary.
- 5) Non Controlling interest's share of profit /loss of consolidated subsidiary for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.
- 6) Non Controlling interest's share of net assets of consolidated subsidiaries is identified and presented in Consolidated Balance sheet separate from liabilities and the equity of the Company's shareholders.

Companies considered in the consolidated financial statements are:-

Name of the Company	Country of Incorporation	Holding as on 31 st March, 2023	Period of Consolidation	Financial Year ends on
Kamdhenu Colour and Coatings Limited	India	100%	1 st April, 2022 to 31 st March, 2023	31 st March, 2023

NOTES (Contd.)

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

Basis of Preparation

The financial statements of the group are consistently prepared and presented under historical cost convention on an accrual basis in accordance with Ind AS except for certain financial assets and liabilities that are measured at fair values.

The group functional currency and presentation currency is Indian National Rupees (₹). All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakhs, except otherwise indicated.

The group presents its assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is treated as current when it is:

- a) expected to be realized or intended to be sold or consumed in normal operating cycle;
- b) held primarily for the purpose of trading;
- c) expected to be realized within twelve months after the reporting period; or
- d) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when it is:

- a) expected to be settled in normal operating cycle;
- b) held primarily for the purpose of trading;
- c) due to be settled within twelve months after the reporting period; or
- d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the group has ascertained its operating cycle being a period within twelve months for the purpose of current and non-current classification of assets and liabilities. The statement of cash flows has been prepared under indirect method.

1.3 Use of judgments, estimates and assumptions

The preparation of the group financial statements required management to make judgments, estimates and assumptions that affect the reported amount

of revenues, expenses, assets & liabilities and the accompanying disclosures and the disclosures of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment in the future periods in the carrying amount of assets or liabilities affected.

In accounting policies, management has made judgments in respect of evaluation of recoverability of deferred tax assets, which has the most significant effect on the amounts recognized in the financial statements.

The following are the key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within:

- a) Useful life of property, plant & equipment and intangible assets: The Group has estimated useful life of the property, plant & equipment as specified in Schedule II to the Companies Act, 2013 or such other modified useful life as disclosed in para 1.4. However the actual useful life for individual equipments could turn out to be different, there could be technology changes, breakdown, and unexpected failure leading to impairment or complete discard. Alternately, the equipment may continue to provide useful service well beyond the useful life assumed.
- b) Lease: The Group evaluates if an arrangement qualifies to be a lease as per the requirement of Ind AS 116. Identification of a lease requires significant judgement. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Group determines the lease term as the non-cancellable period of lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In exercising whether the Group is reasonably certain to exercise an option to extend a lease or to exercise an option to terminate the lease, it considers all relevant facts and circumstances that create economic incentive for the Group to exercise the option to extend the lease or to exercise the option to terminate the lease. The Group revises lease

NOTES (Contd.)

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

term, if there is change in non-cancellable period of lease. The discount rate used is generally based on incremental borrowing rate.

- c) Fair value measurement of financial instruments: When the fair value of financial assets and financial liabilities cannot be measured based on quoted process in active market, the fair value is measured using valuation techniques including book value and the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not possible, a degree of judgment is required in establishing fair values.
- d) Taxes: Taxes have been paid/ provided, exemptions availed, allowances considered etc. are based on the extant laws and the Company's interpretation of the same based on the legal advice received wherever required. These could differ in the view taken by the authorities, clarifications issued subsequently by the government and courts, amendments to statutes by the government etc.
- e) Defined benefit plans: The cost of defined benefit plans and other post-employment benefit plans and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future.
- f) Provisions: The Group makes provisions for leave encashment and gratuity based on report received from the independent actuary. These valuation reports use complex valuation models using not only the inputs provided by the Group but also various other economic variables. Considerable judgment is involved in the process.
- g) Contingencies: A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligations at the end of the reporting period. However, the actual liability could be considerably different.
- h) Impairment of Goodwill: Goodwill is tested for impairment on annual basis and whenever there is an indication that the recoverable amount of a

cash generating unit (CGU) is less than the carrying amount, the impairment loss is accounted. For impairment loss, goodwill is allocated to CGU which benefit from the synergies of the acquisition and which represent the lowest level at which goodwill is monitored for internal management purpose. The recoverable amount of CGU is determined based on higher of value in use and fair value less cost to sell and value in use is present value of future cash flows expected to be derived from CGU. Key assumptions in the cash flow projection are prepared based on current economic conditions and comprises estimated long term growth rate, estimated operating margin.

1.4 Property, Plant & Equipment

Freehold land is carried at historical cost. All other property, plant and equipment are stated at cost, net of recoverable taxes, trade discounts and rebates less accumulated depreciation and impairment loss, if any. The cost of tangible assets comprises its purchase price, borrowing cost, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, initial estimation of any decommissioning obligations and finance cost.

The carrying value of Property, Plant and Equipment as at appointed date i.e. 1st April, 2022 is carrying value as appear in paint division of transferee Company pursuant to demerger of Paint division of transferee company into the Company. When significant parts of the property, plant and equipment are required to be replaced at intervals, the Company derecognizes the replaced part and recognizes the new part with its own associated useful life and depreciated accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred.

Cost of software directly identified with hardware is recognized along with the cost of hardware.

Stores and spares which meet the definition of property, plant and equipment and satisfy recognition criteria of Ind AS 16 are capitalized as property, plant and equipment.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are

NOTES (Contd.)

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

expected from its use. Any gain or loss arising on de-recognition of the asset is included in the Statement of Profit and Loss when the asset is derecognized.

Capital work-in-progress includes cost of property, plant and equipment which are not ready for their intended use.

The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and changes, if any, are accounted prospectively.

Depreciation on the property, plant and equipment is provided over the useful life of assets as specified in Schedule II to the Companies Act, 2013 using straight line method other than in case of tinting machine, where useful life based on management estimate has been taken ten years. Property, plant and equipment which are added/disposed of during the year, depreciation is provided on pro rata basis with reference to the month of addition/deletion.

The Leasehold land acquired by the Group upon demerger is being amortized over the remaining period of lease from RIICO.

1.5 Intangible Assets

Intangible assets are recognized only if they are separately identifiable and the Company expects to receive future economic benefits arising out of them. Intangible assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization/depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs and any cost directly attributable to bringing the asset to its working condition for the intended use.

Computer Software is amortized over a period of three years.

Intangible assets with finite lives are amortized on straight line basis over their useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at each year end. The amortized expense on intangible assets with infinite lives and impairment loss is recognized in the Statement of Profit and Loss.

The useful lives of intangible assets are assessed as either finite or indefinite.

Gains or losses arising from de-recognition of an intangible asset are recognized in the Statement of Profit and Loss when the asset is derecognized.

Intangible assets with indefinite useful lives are not amortized but are tested for impairment annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis. The impairment loss on intangible assets with indefinite life is recognized in the Statement of Profit and Loss.

1.6 Impairment of non-financial assets

At each Balance Sheet date, the group assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognized in the previous periods. If any indication exists or when annual impairment testing for an asset is required, the group determines the recoverable amount and impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

An asset's recoverable amount is the higher of an asset or Cash-Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

1.7 Investment in Subsidiaries, Associates and joint Ventures

Investment in subsidiaries, associates and joint ventures are carried at cost less impairment losses, if any. When an indication of impairment exists, the carrying amount of the investment is assessed and written down to its recoverable amount. On disposal of investment in subsidiary, associates and joint venture, the difference between net disposal proceeds and the carrying amount are recognized in statement of Profit & loss.



NOTES (Contd.)

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

Investment in Equity Instruments

All investment in equity instrument classified under financial assets are initially measured at fair value. The group may on initial application irrevocably elect to measure the same either at FVOCI or FVTPL.

The group makes such election on an instrument by instrument basis. Fair value change on an equity instrument is recognized as 'other income' in statement of profit & Loss unless the group has elected to measure such instrument at FVOCI. Fair value changes excluding dividend on an equity instrument measured at FVOCI are recognized in OCI. Amount recognized in OCI are not subsequently reclassified to statement of Profit & loss. Dividend income on investment in equity instrument are recognized as 'Other Income' in statement of Profit & Loss.

1.8 Cash and cash Equivalents

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

For the purpose of statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above, net of outstanding bank overdrafts as they are considered as an integral part of the Group's cash management.

Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

Bank Balances other than above

Dividend escrow account balances, deposits with banks as margin money for guarantees issued by the banks, deposits kept as security deposits for statutory authorities are accounted as bank balances other than Cash and Cash equivalents.

1.9 Non-current Assets held for Sale

Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Non-current assets are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets.

Property, plant and equipment and intangible assets are not depreciated or amortized once classified as held for sale.

1.10 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A. Financial Assets:

(i) Classification:

The group classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income, or fair value through profit and loss on the basis of its business model for managing the financial asset and the contractual cash flow characteristics of the financial asset.

(ii) Initial recognition and measurement:

All financial assets are recognized initially at fair value plus, in the case of financial assets not recognized at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial asset.

(iii) Financial assets measured at amortized cost:

Financial assets are subsequently measured at amortized cost using Effective Interest Rate (EIR) method, if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. The losses arising from the impairment are recognized in the Statement of Profit and Loss.

(iv) Financial assets at fair value through other comprehensive income:

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business

NOTES (Contd.)

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms give rise to cash flows that are solely payments of principal and interest on the principal outstanding.

- (v) Financial assets measured at fair value through profit and loss:

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in profit and loss.

- (vi) De-recognition of financial assets:

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

AA. Impairment of Financial Assets

In accordance with Ind-AS 109, the group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

B. Financial Liabilities

- (i) Classification:

The group classifies all financial liabilities as subsequently measured at amortized cost, except for financial liabilities at fair value through profit and loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

- (ii) Initial recognition and measurement:

All financial liabilities are recognized initially at fair value, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

- (iii) Subsequent measurement:

All financial liabilities are re-measured at fair value through statement of profit and loss include

financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through statement of profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

- (iv) Loans and borrowings:

Interest bearing loans and borrowings are subsequently measured at amortized cost using effective interest rate (EIR) method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through EIR amortization process. The EIR amortization is included as finance cost in the Statement of Profit and Loss.

- (v) De-recognition of financial liabilities:

A financial liability is derecognized when the obligation under the liability is discharged or canceled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

- (vi) Derivative financial instruments:

The group uses derivative financial instruments such as forward currency contracts and options to hedge its foreign currency risks. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. The gain or loss in the fair values is taken to Statement of Profit and Loss at the end of every period. Profit or loss on cancellations/renewals of forward contracts and options are recognized as income or expense during the period.

C. Off setting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis to realize the assets and settle the liabilities simultaneously.

NOTES (Contd.)

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

1.11 Fair value measurement

The Group measures certain financial assets and financial liabilities including derivatives and defined benefit plans at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a) In the principal market for the asset or liability; or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

1.12 Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

1.13 Provisions, Contingent liabilities, Contingent Assets

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligations at the end of the reporting period. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the changes in the provision due to the passage of time are recognized as a finance cost.

Contingent liabilities are disclosed in the case of:

- a) a present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- b) a present obligation arising from the past events, when no reliable estimate is possible; and
- c) a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Contingent assets are not recognized but disclosed in the financial statements when an inflow of economic benefit is probable.

1.14 Employee Benefits

A. Defined Contribution Plans

Retirement benefit in the form of contribution to provident fund and pension fund are charged to statement of Profit and Loss.

B. Defined Benefit Plan (Unfunded)

Gratuity is the nature of a defined benefit plan.

Provision for gratuity is calculated on the basis of actuarial valuation carried out at reporting date and is charged to statement of Profit and Loss. The actuarial valuation is computed using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amount included in net interest on the net defined benefit liability and the return on plan assets (excluding amount included in net interest on the net defined benefit liability) are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurement is not reclassified to profit or loss in subsequent periods.

NOTES (Contd.)

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

C. Other Employee Benefits (Unfunded)

Leave Encashment is recognized as an expense in the statement of Profit and Loss account as and when they accrue. The Company determines the liability using the projected unit credit method with actuarial valuations carried out as at Balance Sheet date.

1.15 Revenue Recognition

In accordance with Ind AS 115, the group recognizes revenue from sale of products & services at a time when performance obligations are satisfied and upon transfer of control of promised products and services to the customer in an amount that reflects the consideration, the Company expects to receive in exchange for their products or services. The group disaggregates the revenue based on nature of products.

Revenue from Sale of Goods and services

The Group derives its revenue from sale of manufactured goods & traded goods in paint segment, Steel segment and also from royalty income under franchisee arrangement. In accordance with Ind AS 115, the Group recognizes revenue from sale of products & services at a time when performance obligations are satisfied and upon transfer of control of promised products and services to the customer in an amount that reflects the consideration, the Group expects to receive in exchange for their products or services. The Group disaggregates the revenue based on nature of products.

The revenue from sale of goods and services is net of variable consideration on account of various discounts and schemes offered by the Company.

Dividend Income

Dividend income is recognized when the right to receive is established and there is a reasonable certainty of its collection.

Interest Income

Interest income is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instruments (for example, prepayment, extension, call and similar options) but does not consider the expected credit loss.

Insurance Income

Income in respect of insurance claims recognized on acceptance basis or when there is reasonable certainty that the ultimate collection will be made.

Others

Income in respect of other claims and commissions are measured at fair value and recognized when there is reasonable certainty that the ultimate collection will be made.

1.16 Taxes on Income

Income Tax expenses comprise current tax expenses and the net change in the deferred tax asset or liabilities during the year. Current and Deferred tax are recognized in Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognized in Other Comprehensive Income or directly in equity respectively.

Current Tax

Current tax are based on the provisions of the Income Tax Act, 1961 using the tax rates applicable at reporting date.

Deferred Tax

Deferred tax is recognized using the Balance Sheet approach. Deferred tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount.

Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized



NOTES (Contd.)

TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or liability is settled, based on tax rates (and tax laws) that have been enacted or substantially enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

1.17 Earnings Per Share

Basic earnings per share are calculated by dividing the profit after tax or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. In case there are any dilutive securities during the period presented, the impact of the same is given to arrive at diluted earnings per share.

1.18 Segment Reporting

Operating segments have been identified at Group level, as Managing Director of the Company is also Managing Director of subsidiary and reviews the performance of Group business as a whole, accordingly, operating segment of subsidiary company i.e. paint business is also taken as segment of the Group.

1.19 Leases

In accordance with Ind AS 116, the Group recognizes right of use assets representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of right of use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before commencement date less any lease incentive received plus any initial direct cost incurred and an estimate of cost to be incurred by lessee in dismantling and removing underlying asset or restoring the underlying asset or site on which it is located. The right of use asset is subsequently measured at cost less accumulated depreciation, accumulated impairment losses, if any, and adjusted for any re-measurement of lease liability. The right of use assets is depreciated using

the Straight Line Method from the commencement date over the shorter of lease term or useful life of right of use asset. The estimated useful lives of right of use assets are determined on the same basis as those of Property, Plant and Equipment. Right of use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognized in Statement of Profit and Loss.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

The lease liability is subsequently re-measured by increasing the carrying amount to reflect interest on lease liability, reducing the carrying amount to reflect the lease payments made and re-measuring the carrying amount to reflect any reassessment or lease modification or to reflect revised-in-substance fixed lease payments. The Group recognizes amount of re-measurement of lease liability due to modification as an adjustment to write off use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of right of use assets is reduced to zero and there is further reduction in measurement of lease liability, the Group recognizes any remaining amount of the re-measurement in Statement of Profit and Loss.

The Group has elected not to apply the requirements of Ind AS 116 to short term leases of all assets that have a lease term of 12 months or less unless renewable on long term basis and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense over lease term.

1.20 Foreign exchange transactions

Foreign currency transactions are accounted for at the exchange rate prevailing on the date of the transaction. All monetary foreign currency assets and liabilities are converted at the exchange rates prevailing at the reporting date. All exchange differences arising on translation of monetary items are dealt with in the Statement of Profit and Loss.

NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023

(All amount in ₹ Lakhs unless otherwise stated)

NOTE NO. 1

PROPERTY, PLANT AND EQUIPMENT

Particulars	Leasehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total
Gross Carrying Value as on 1 st April, 2022	-	-	-	-	-	-	-
Addition as at 1 st April, 2022 on account of demerger of Paints Business in the Group (Refer Note No.38(c))	330.33	1,341.75	4,343.25	65.47	39.51	143.72	6,264.03
Restated balance as at 1st April, 2022	330.33	1,341.75	4,343.25	65.47	39.51	143.72	6,264.03
Addition during the year	-	5.58	407.15	5.44	-	19.56	437.72
Deductions/Adjustments during the year	-	-	-	1.63	-	29.54	31.17
Gross Carrying Value as on 31st March, 2023	330.33	1,347.34	4,750.39	69.28	39.51	133.73	6,670.59
Accumulated Depreciation as on 1 st April, 2022	-	-	-	-	-	-	-
Addition as at 1 st April, 2022 on account of demerger of Paints Business in the Group (Refer Note No.38(c))	-	152.59	1,641.78	16.07	26.63	94.48	1,931.55
Restated balance as at 1st April, 2022	-	152.59	1,641.78	16.07	26.63	94.48	1,931.55
Depreciation during the year	4.13	48.85	317.51	6.41	2.68	23.25	402.82
Deductions/Adjustments during the year	-	-	-	1.58	-	28.71	30.28
Accumulated Depreciation as on 31 st March, 2023	4.13	201.45	1,959.29	20.90	29.30	89.02	2,304.09
Carrying Value as on 31st March, 2023	326.20	1,145.89	2,791.11	48.38	10.21	44.72	4,366.50
Carrying Value as on 31st March, 2022	-	-	-	-	-	-	-

1.1 The Group has been granted permission for transfer of leasehold rights of Industrial plot at Chopanki vide letter dated 02.01.2023 in the name of Kamdhenu Colour and Coatings Limited hitherto held in the name of Kamdhenu Limited pursuant to de-merger of paint division of Kamdhenu Limited in the subsidiary of Company and leasehold rights stood changed in name of subsidiary of Company.

1.2 Capital-Work-in Progress (CWIP)

Particular	As at 31 st March, 2023
Gross Carrying Value at beginning of the year	-
Addition as at 1 st April, 2022 on account of demerger of Paints Business in the Group (Refer Note No.38(c))	99.48
Restated balance as at 1st April, 2022	99.48
Additions during the year	312.36
Deductions/Adjustments during the year	(314.57)
Gross Carrying Value at the end of the period	97.27

**NOTES** (Contd.)**FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023**

(All amount in ₹ Lakhs unless otherwise stated)

(a) Ageing for Capital work-in-progress as at 31st March, 2023 is as follows

Capital work in progress	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Years	TOTAL
Projects in progress	70.30	-	26.97	-	97.27

(b) Ageing for Capital work-in-progress as at 31st March, 2022 is as follows

Capital work in progress	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Years	TOTAL
Projects in progress	-	-	-	-	-

1.3 Right of Use Assets

Particulars	As at 31 st March, 2023
Opening Balance	-
Addition as at 1 st April, 2022 on account of demerger of Paints Business in the Group (Refer Note No.38(c))	152.62
Restated balance as at 1 st April, 2022	152.62
Addition during the year	111.48
Deletion during the year	102.69
Gross Block	161.42
Depreciation	
Depreciation for the year	87.32
Deductions/Adjustments during the year	(32.76)
Accumulated Depreciation of Right of use asset	54.57
Closing Balance of Right of use asset	106.85

NOTE NO. 2

The Group has not revalued its Property, Plant & Equipment (including Rights of use assets) during the current financial year.

NOTE NO. 3**OTHER FINANCIAL ASSETS - NON CURRENT**

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Security deposits	65.48	0.20
Total	65.48	0.20

NOTE NO. 4**OTHER NON CURRENT ASSETS**

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Prepaid expenses	0.92	-
Income tax Refundable	10.54	-
Taxes deposited pending appeal	50.00	-
Duties and taxes refundable	20.45	-
Total	81.91	-

NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023

(All amount in ₹ Lakhs unless otherwise stated)

NOTE NO. 5

INVENTORIES

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Raw Materials & Packing Materials	1,342.43	-
Stock-in-Process	0.71	-
Finished Goods	4,147.42	-
Stock-in-Trade	233.92	-
Stores, Spares & Fuel	148.02	-
Total	5,872.50	-

NOTE NO. 5.1

- The Group do not have any inventory which is expected to be sold in more than 12 months.
- Inventories are hypothecated with bankers against working capital limits enjoyed by Group.

NOTE NO. 6

TRADE RECEIVABLES - CURRENT

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Trade Receivable - Unsecured Billed		
Considered good	10,357.18	-
Considered doubtful	602.56	-
	10,959.74	-
Less: Allowance for doubtful debts	602.56	-
Total	10,357.18	-
Trade Receivable -Unsecured Unbilled	2.91	-
Total	10,360.09	-

Note:

- The Group has used a practical expedient by computing the Expected Credit Loss allowance based on a provision matrix. The expected credit loss allowance is based on the ageing of the days, the receivables are due and recognises impairment loss allowance based on lifetime expected loss on each reported date right from its initial recognition. The provision matrix at the end of each reporting period is as under :

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Trade Receivables	10,959.74	-
Trade Receivables not considered for ECL Matrix	9,058.42	-
Trade Receivables considered for ECL Matrix	1,901.32	-
Movement in allowance for doubtful debts		
Balance at the beginning of the year	-	-
Addition as at 01.04.2022 on account of demerger of Paints Business in the Group (Refer Note No. 38(c))	503.95	-
Addition during the year	98.60	-
Balance at the end of the year	602.56	-

NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023

(All amount in ₹ Lakhs unless otherwise stated)

- b) The concentration of credit risk on trade receivable is limited due to the fact that the customer base is large and is unrelated to each other.
- c) No trade receivable is due from directors & other officers of the Group either singly or severally with any other person or from firm or private companies in which any director is interested as partner/ director.
- d) The Group has assessed the risk of recovery from trade receivable arising on account of Pandemic Covid-19 and based on its assessment, the management of Group do not foresee any impact on realisability of Trade receivable and is of the view that allowance for Expected credit loss created is sufficient and no further provisioning on this account is necessiated.

e) Ageing of Trade Receivable as at 31 March 2023

Particulars	Outstanding for following periods from the date of transactions					Total
	Less than 6 Months	6 Months- 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Trade Receivable-Billed						
Undisputed Trade Receivable- Considered Good	7,951.60	1,106.82	496.60	112.09	207.23	9,874.34
Undisputed Trade Receivable- which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivable- credit impaired	-	-	-	-	-	-
Disputed Trade Receivable- Considered Good	22.10	299.63	227.12	53.72	482.82	1,085.40
Disputed Trade Receivable- which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivable- credit impaired	-	-	-	-	-	-
Total	7,974	1,406	724	166	690.05	10,959.74
Less: Allowance for doubtful trade receivables-Billed						602.56
						10,357.18
(ii) Trade Receivable-Unbilled						2.91
Total Trade Receivable (i)+(ii)						10,360.09

The ageing of trade receivables have been drawn based on date of transactions entered by transferee company prior to appointed date i.e. 1st April, 2022 and by the Group during the financial year ended 31st March, 2023.

Ageing of Trade Receivable as at 31st March 2022

Particulars	Outstanding for following periods from the date of transactions					Total
	Less than 6 Months	6 Months- 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Trade Receivable-Billed						
Undisputed Trade Receivable- Considered Good	-	-	-	-	-	-
Undisputed Trade Receivable- which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivable- credit impaired	-	-	-	-	-	-
Disputed Trade Receivable- Considered Good	-	-	-	-	-	-
Disputed Trade Receivable- which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivable- credit impaired	-	-	-	-	-	-
Total	-	-	-	-	-	-

NOTES (Contd.)
FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023

(All amount in ₹ Lakhs unless otherwise stated)

NOTE NO. 7

CASH AND CASH EQUIVALENTS - CURRENT

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Balances with Banks	248.60	3.77
Cash on hand	4.76	0.55
Total	253.36	4.32

NOTE NO. 8

OTHER BALANCES WITH BANKS - CURRENT

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Deposits with maturity for more than 3 month but less than 12 month (-Held as margin money or security against borrowings and other commitments)	160.00	-
Total	160.00	-

NOTE NO. 9

LOANS - CURRENT

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Unsecured, considered good, unless stated otherwise: Loans and Advances to employees (Refer Note 9.1)	19.79	-
Total	19.79	-

9.1 includes employees loan given to CFO ₹ 1.22 Lakhs as part of Group policy.

NOTE NO. 10

OTHER FINANCIAL ASSETS - CURRENT

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Interest accrued on Fixed Deposit	1.14	-
Insurance Claims & other receivables	21.91	-
Tax deposited under appeal	142.30	-
Total	165.35	-

**NOTES** (Contd.)**FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023**

(All amount in ₹ Lakhs unless otherwise stated)

NOTE NO. 11**OTHER CURRENT ASSETS**

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Unsecured, considered good, unless stated otherwise:		
Advances recoverable in Cash or in Kind for value to be received		
Considered good	254.36	-
Considered doubtful	10.00	-
	264.36	-
Less: Allowance for doubtful debts	10.00	-
	254.36	-
Balance with statutory authorities	87.20	-
Prepaid expenses	56.99	-
Total	398.55	-

The Reconciliation and movement in allowance for doubtful advances are as under:-

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Balance at the beginning of the year	-	-
Addition during the period on account of demerger of Paints Business in the Group (Refer Note No 38(c))	10.00	-
Addition during the year	-	-
Balance at the end of the year	10.00	-

NOTE NO. 12**EQUITY SHARE CAPITAL**

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Authorized Share Capital:		
Equity Share		
3,01,00,000 Equity shares of face value ₹ 5/- each (PY 50,000 Equity Shares of ₹ 10/- Each)	1,505.00	5.00
Preference Share		
45,00,000 (PY Nil) 9% Compulsorily Redeemable Preference shares of face value ₹ 10/- each	450.00	-
Total	1,955.00	5.00
Equity Share		
Issued, Subscribed & fully Paid-up Shares		
2,69,35,500 Equity Shares of ₹ 5/- Each (Previous year 30,400 Equity Shares of ₹ 10/- Each)	1,346.78	3.04
Total	1,346.78	3.04

NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023

(All amount in ₹ Lakhs unless otherwise stated)

(a) Reconciliation of the Equity shares outstanding at the beginning and at the end of the year

Particulars	As at	
	31 st March, 2023	31 st March, 2022
At the beginning of the year	3.04	3.04
Add: Issued during the period	1,346.78	-
Less: Cancelled as per scheme of arrangement (Refer Note 38(b))	(3.04)	-
Less: Bought back during the year	-	-
At the end of the year	1,346.78	3.04

(b) Term/ rights attached to equity shares

The Company has Two types of Share i.e. Equity Shares Capital and 9% Compulsorily Redeemable Preference shares. The Equity share capital is having face value of ₹ 5 each. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

The repayment of Equity share capital in the event of Liquidation and buy back of Shares are possible subject to prevalent regulations. In the event of Liquidation, normally the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amount, in proportion of shareholding.

(c) Details of Shareholders holding more than 5 % Shares in the Company

Name of the Shareholder	As at 31 st March, 2023		As at 31 st March, 2022	
	No. of Shares	% held	No. of Shares	% held
Kamdhenu Limited	-	-	30,400	100.00
Sunil Kumar Agarwal	26,79,490	9.95	-	-
Sarita Agarwal	25,80,787	9.58	-	-
Saurabh Agarwal	21,60,314	8.02	-	-
Sachin Agarwal	19,50,144	7.24	-	-
Satish Kumar Agarwal	17,79,817	6.61	-	-

(d) Details of Promoters holding Shares in the Company

Name of the Promoter	As at 31 st March, 2023			As at 31 st March, 2022		
	No. of Shares	% held	% of change during the year	No. of Shares	% held	% of change during the year
Kamdhenu Limited	-	-	(100%)	30,400.00	100.00	-
Sunil Kumar Agarwal	26,79,490	9.95	100%	-	-	-
Sarita Agarwal	25,80,787	9.58	100%	-	-	-
Saurabh Agarwal	21,60,314	8.02	100%	-	-	-
Sachin Agarwal	19,50,144	7.24	100%	-	-	-
Satish Kumar Agarwal	17,79,817	6.61	100%	-	-	-
Radha Agarwal	10,58,881	3.93	100%	-	-	-
Shafali Agrawal	7,63,842	2.84	100%	-	-	-
Satish Kumar Agarwal (HUF)	6,07,087	2.25	100%	-	-	-
Shatul Agarwal	4,62,071	1.72	100%	-	-	-
Somya Agarwal	3,74,399	1.39	100%	-	-	-

**NOTES** (Contd.)**FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023**

(All amount in ₹ Lakhs unless otherwise stated)

Name of the Promoter	As at 31 st March, 2023			As at 31 st March, 2022		
	No. of Shares	% held	% of change during the year	No. of Shares	% held	% of change during the year
Sunil Kumar	3,54,821	1.32	100%	-	-	-
Shivani Agarwal	3,29,431	1.22	100%	-	-	-
Priyanka Agarwal	2,83,386	1.05	100%	-	-	-
Ishita Agarwal	2,42,396	0.90	100%	-	-	-
Ayush Agarwal	90,600	0.34	100%	-	-	-
Ayush Agarwal (HUF)	50,000	0.19	100%	-	-	-
Saurabh Agarwal (HUF)	26,757	0.10	100%	-	-	-
Sachin Agarwal (HUF)	26,757	0.10	100%	-	-	-

Name of the Shareholder	As at 31 st March, 2022			As at 31 st March, 2021		
	No. of Shares	% held	% of change during the year	No. of Shares	% held	% of change during the year
Kamdhenu Limited	30,400	100	-	30,400	100	-

NOTE NO. 13**OTHER EQUITY**

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
a. Other Reserves		
As per last Balance Sheet	-	-
Add: Addition during the period on account of scheme of arrangement (Refer Note No 38(d))	7,832.15	-
Re-stated Balance as at 1 st April, 2022	7,832.15	-
Less: Deduction during the year	-	-
Total (a)	7,832.15	-
b. Retained Earnings		
As per last Balance Sheet	(3.52)	(2.83)
Add: Profit/(Loss) for the year	(1,126.86)	(0.69)
Total (b)	(1,130.38)	(3.52)
c. Other Comprehensive Income		
As per last Balance Sheet	-	-
Remeasurement (Losses)/ Gain on defined benefit Plan	(0.19)	-
Less: Deduction during the year	-	-
Total (c)	(0.19)	-
Total (a+b+c)	6,701.59	(3.52)

NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023

(All amount in ₹ Lakhs unless otherwise stated)

Nature and purposes of Reserves forming part of their equity are as under :

- (a) Other Reserve: Surplus arising on de-merger (being excess of deemed investment over aggregate face value of new equity and preference shares issued by the company to the shareholder of transferor Company is other Reserve (Refer Note 38) and is not available for distribution as dividend.
- (b) Retained Earnings: This represents accumulated earnings (losses) by the Group as at balance sheet date.

NOTE NO. 14

BORROWINGS - NON CURRENT

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Secured, Guarantee Emergency Credit Line term loan from: State Bank of India	1,169.58	-
	1,169.58	-
Less Current maturities of long term debts (Refer not no. 19)	398.00	-
Total	771.58	-

Terms of Repayment of Term Loan from Bank and Financial institutions are as under:-

Particulars	Rate of interest p.a	Amount outstanding as at 31 st March, 2023	Repayment Schedule		
			FY 2023-24	FY 2024-25	FY 2025-26
State Bank of India	8.65%	1,169.58	398.00	398.00	373.58
Total		1,169.58	398.00	398.00	373.58

Notes:

1. **Guarantee Emergency Credit Line 2.0 (GECL 2.0) term loan from State Bank of India is secured against extension of 2nd charge over the following securities:**

Primary :

- a) Extension of 2nd charge by way of hypothecation charge on entire current assets (present and future) of the company.

Collateral :

- a. Extension of 2nd charge by way of hypothecation charge on entire fixed assets (movable & immovable) of the company both present & future including plant & machinery except vehicle financed by other banks.
- b. Extension of 2nd charge by way of equitable mortgage alongwith working capital lenders over factory land & building of the company situated at E-538 & E-539A, RIICO Industrial Area, Chopanki, Rajasthan.
2. The GECL term loan taken by the Group have been used for the purpose for which it was taken. The Group has not defaulted in repayment of Principal and interest. There are no overdue amounts as at end of financial year.
3. GECL term loan from State Bank of India was originally sanctioned and disbursed to transferee Company Kamdhenu Limited and vested to subsidiary company i.e Kamdhenu Colour and Coatings Limited under scheme of arrangement approved by Hon'ble NCLT Chandigarh. The assignment of loan from transferee company to Kamdhenu Colour and Coatings Limited is pending as at balance sheet for which necessary steps with bank is being taken.

**NOTES** (Contd.)**FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023**

(All amount in ₹ Lakhs unless otherwise stated)

NOTE NO. 15**LEASE LIABILITIES - NON CURRENT**

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Non-current lease liabilities	30.87	-
Total	30.87	-

NOTE NO. 16**OTHER FINANCIAL LIABILITIES - NON CURRENT**

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Security Deposits	471.79	-
Deferred Interest Accrued on Security Deposit	37.35	-
Total	509.15	-

NOTE NO. 17**PROVISIONS - NON CURRENT**

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Provisions for Employee Benefits:		
Provisions for Gratuity	245.88	-
Provisions for Leave Encashment	51.79	-
Total	297.67	-

NOTE NO. 18**DEFERRED TAX LIABILITIES (NET)**

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Deferred tax liability:		
on Property, Plant and Equipment	367.68	-
on Other Items (Net)	3.52	-
	371.20	-
Deferred tax assets:		
on Right of use Assets	(1.34)	-
on Employee Benefits	(84.89)	-
on Provision for Expected Credit Loss	(154.17)	-
on Other Items (Net)	-	(0.02)
	(240.39)	(0.02)
Net Deferred Tax Liability/(Asset)	130.80	(0.02)

The Group estimates deferred tax credit/ (charge) using the substantively enacted rate of taxation on the impact of timing differences between financial statements and estimated taxable income.

Deferred tax asset on current year losses has not been recognized as it is not probable that sufficient taxable profit will be available against which such tax losses can be utilized.

NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023

(All amount in ₹ Lakhs unless otherwise stated)

(a) Movement in Deferred Tax Balances

In accordance with Ind AS - 12, the Company has accounted for deferred taxes during the year as under:

Following are the major components of Deferred Tax Liabilities and Deferred Tax Assets:

Particulars	As at 31 st March, 2023						
	Balance as at (1 st April, 2022)	Addition during the period on account of demerger of Paints Business in the Group (Refer Note 38(c))	Recognized in (profit) or Loss	Recognized in OCI	Net Deferred Tax	Deferred Tax Liability	Deferred Tax assets
Property, plant and equipment	-	320.11	47.57		367.68	367.68	-
Right of use Assets	-	(2.49)	1.15		(1.34)	-	(1.34)
Employee Benefits - P&L	-	(60.96)	(11.43)		(72.40)	-	(72.40)
Employee Benefits - OCI	-	(12.43)	-	(0.06)	(12.49)	-	(12.49)
Provision for Expected Credit Loss	-	(134.87)	(19.30)		(154.17)	-	(154.17)
Other Items (Net)	(0.02)	(0.10)	3.64		3.52	3.52	-
Deferred Tax (Assets) / Liabilities	(0.02)	109.26	21.62	(0.06)	130.80	371.20	(240.39)

Particulars	As at 31 st March, 2022					
	Balance as at (1 st April, 2021)	Recognized in (profit) or Loss	Recognized in OCI	Net Deferred Tax	Deferred Tax Liability	Deferred Tax assets
Other Items (Net)	(0.03)	(0.01)		(0.02)		(0.02)
Deferred Tax (Assets) / Liabilities	(0.03)	(0.01)	-	(0.02)		(0.02)

(b) Movement in Deferred Tax (assets) /Liabilities is as under:-

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Balance at the beginning of the year	(0.02)	(0.03)
Addition during the year on account of demerger of Paints Business in the company (Refer Note 38(a))	109.26	-
(Credit)/Charge to the statement of profit and loss	21.62	0.01
(Credit)/Charge to other comprehensive income	(0.06)	-
Balance at the end of the year	130.80	(0.02)

NOTES (Contd.)**FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023**

(All amount in ₹ Lakhs unless otherwise stated)

NOTE NO. 19**BORROWINGS - CURRENT**

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Secured		
Secured - Working Capital Loan from Bank:		
State Bank of India	2,237.35	-
Indian Bank	1,760.80	-
Current maturities of long term debts (Refer note no.14)	398.00	-
Unsecured		
9% Compulsorily Redeemable Preference shares 40,01,582 (CRPS) (Previous Year - Nil)*	400.39	-
Inter Corporate Loan from Related Party	-	5.00
Total	4,796.54	5.00

*includes 0.23 Lakhs net interest amortization

19.1 Working Capital Loan from State Bank of India and Indian Bank are secured by way of Primary :

- First pari passu charge by way of hypothecation charge on entire current assets (present and future) including stock of raw material, spares, consumables, stock in process and finished goods and receivables of the company along with working capital lenders.

Collateral :

- First pari passu charge by way of hypothecation charge on entire fixed assets (movable & immovable) of the company both including plant & machinery alongwith working capital lenders except vehicle financed by other banks.
- First pari passu charge by way of equitable mortgage alongwith working capital lenders over factory land & building of the company situated at E-538 & E-539A, RIICO Industrial Area, Chopanki, Rajasthan.

Guarantee :

- Personal Guarantee of whole time directors.
- Corporate Guarantee of Kamdhenu Limited

19.2 The Group has borrowings from Banks or financial institution on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Group with banks or financial institution are in agreement with the books of accounts.

19.3 9% Compulsorily redeemable preference shares of ₹ 10 each was issued to shareholders of Kamdhenu Limited in accordance with Scheme of arrangement duly approved by NCLT Chandigarh.

The term of issue of 9% Compulsorily Redeemable Preference Shares are as under:

Non Cumulative Compulsorily Redeemable

Redemption: Shall be redeemed within a period of 5 years

Call Option: Call option available to Kamdhenu Ventures Limited for early redemption.

NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023

(All amount in ₹ Lakhs unless otherwise stated)

NOTE NO. 20

LEASE LIABILITIES - CURRENT

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Current lease liabilities	81.29	-
Total	81.29	-

NOTE NO. 21

TRADE PAYABLES - CURRENT

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Total outstandings dues of Micro and Small Enterprises	1,059.99	-
Total outstandings dues of creditors other than Micro, and Small Enterprises		
- for Goods	4,058.33	-
- for Services	1,281.78	0.45
Total	6,400.10	0.45

a) Details of dues to Micro and Small Enterprises as per the Micro and Small Enterprises Development Act, 2006

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount	931.77	-
- Interest amount (Current Year ₹ 6.72 Lakhs)	128.22	-
Total of (i) & (ii)	1,059.99	-
- The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.		
- Addition as at 1 st April, 2022 on account of de-merger of Paint business in the Group.	121.50	-
- The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under MSMED Act, 2006.	6.72	-
- The amount of interest accrued and remaining unpaid at the end of each accounting period	128.22	-
- The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	128.22	-

b) The amount of interest due and payable for the year due to delay in making payment under Micro, Small and Medium Enterprise Development Act 2006 is ₹ 6.72 Lakhs (P.Y. Nil Lakhs).

c) Dues to Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

**NOTES** (Contd.)**FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023**

(All amount in ₹ Lakhs unless otherwise stated)

d) Ageing of Trade Payable outstanding as at 31st March, 2023 is as follows:

Particulars	Outstanding for followings periods from the date of transaction				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Trade Payables					
MSME	938.48	121.50	-	-	1,059.99
Others	5,117.20	198.31	-	-	5,315.52
Disputed dues- MSME	-	-	-	-	-
Disputed dues-Others	-	-	-	-	-
Total	6,055.69	319.82	-	-	6,375.50
Add : Accrued Expenses	24.59	-	-	-	24.59
Total	6,080.28	319.82	-	-	6,400.10

The ageing of trade payables have been drawn based on date of transactions entered by transferee company prior to appointed date i.e. 1st April, 2022 and by the Group during the financial year ended 31st March, 2023.

e) Ageing of Trade Payable outstanding as at 31st March, 2022 is as follows:

Particulars	Outstanding for followings periods from the date of transaction				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Trade Payables					
MSME	-	-	-	-	-
Others	0.35	0.10	-	-	0.45
Disputed dues- MSME	-	-	-	-	-
Disputed dues-Others	-	-	-	-	-
Total	0.35	0.10	-	-	0.45

NOTE NO. 22**OTHER FINANCIAL LIABILITIES - CURRENT**

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Payable for capital goods	211.03	-
Employee related liabilities	211.65	-
Total	422.68	-

NOTE NO. 23**OTHER CURRENT LIABILITIES**

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Advance from customers	45.55	-
Statutory dues payable	373.85	-
Total	419.41	-

NOTE NO. 24**PROVISIONS - CURRENT**

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Provisions for Employee Benefits:		
Provisions for Gratuity	35.45	-
Provisions for Leave Encashment	4.17	-
Total	39.62	-

NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023

(All amount in ₹ Lakhs unless otherwise stated)

NOTE NO. 25

REVENUE FROM OPERATIONS

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Revenue from Sale of Goods	25,907.99	-
Revenue from Royalty	42.36	-
Total	25,950.36	-

a) The disclosures required by Ind AS 115 are as under:

The Group disaggregates revenue based on nature of products. The revenue disaggregation for the period ended 31st March, 2023 is as under:

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Paints	25,008.96	-
Steel- Trading	899.03	-
Royalty Income	42.36	-
Total	25,950.36	-

b) Reconciliation of Revenue

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Gross value of Contracted Price	29,782.11	-
Less: Variable Component like Discount	3,831.75	-
Total	25,950.36	-

c) Reconciliation of Unbilled Revenue

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Balance of unbilled revenue at the beginning of the year	-	-
Addition during the period on account of demerger of Paints Business in the Group	1.68	-
Less : Revenue recognized out of unbilled revenue during the year	(1.68)	-
Add : Revenue recognized as unbilled revenue during the year	2.91	-
Balance at the end of the year	2.91	-

d) Reconciliation of Advance received from Customers

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Balance at the beginning of the year	-	-
Addition during the period on account of demerger of Paints Business in the Group	33.33	-
Less : Revenue recognized out of advance received from customers at beginning of year	33.33	-

**NOTES** (Contd.)**FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023**

(All amount in ₹ Lakhs unless otherwise stated)

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Add : Advance received during the year from customers for which performance obligation is not satisfied and shall be recognized as revenue in next year	45.55	-
Balance at the end of the year	45.55	-

NOTE NO. 26**OTHER INCOME**

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Interest Income:		
(i) Interest from Bank on Fixed Deposits	19.26	-
(ii) Interest Others	0.85	-
(iii) Interest components on measurement of financial assets/ liabilities carried at amortized cost (net)	15.98	-
Total	36.09	-

NOTE NO. 27**COST OF MATERIALS CONSUMED**

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
a. Raw Materials		
Opening Stock	-	-
Addition as at 01.04.2022 on account of demerger of Paints Business in the Group (Refer note 38(c))	836.37	-
Add : Purchases	9,175.17	-
Less : Closing Stock	825.72	-
Total (a)	9,185.82	-
b. Cost of Packing Materials		
Opening Stock	-	-
Addition as at 01.04.2022 on account of demerger of Paints Business in the Group (Refer note 38(c))	436.25	-
Add : Purchases	2,620.67	-
Less : Closing Stock	516.71	-
Total (b)	2,540.21	-
Total (a+b)	11,726.03	-

NOTE NO. 28**PURCHASES OF STOCK-IN-TRADE**

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Purchases	4,871.21	-
Total	4,871.21	-

NOTES (Contd.)
FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023

(All amount in ₹ Lakhs unless otherwise stated)

NOTE NO. 29

CHANGES IN INVENTORY OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
a. Closing Stock		
Finished Goods	4,147.42	-
Stock in Process	0.71	-
Stock of Traded Goods	233.92	-
Total (a)	4,382.05	-
b. Opening Stock	-	-
Finished Goods	-	-
Stock in Process	-	-
Stock of Traded Goods	-	-
c. Addition as at 01.04.2022 on account of demerger of Paints Business in the Group - Reinstated opening balance as at 01.04.2022 (Refer note 38(c))		
Finished Goods	4,514.66	-
Stock in Process	1.46	-
Stock of Traded Goods	299.75	-
Total (b)	4,815.86	-
(Increase)/Decrease in stocks (b-a)	433.81	-

NOTE NO. 30

EMPLOYEES BENEFITS EXPENSE

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Salary and Wages	2,429.47	-
Gratuity Expenses	51.87	-
Contribution to Provident Fund and Other Funds	92.96	-
Staff Welfare Expenses	26.51	-
Total	2,600.81	-

**NOTES** (Contd.)**FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023**

(All amount in ₹ Lakhs unless otherwise stated)

NOTE NO. 31**FINANCE COSTS**

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Interest on Loan	554.05	-
Other Interest	21.06	-
Interest on Lease liability	17.33	-
Interest components on measurement of financial assets/ liabilities carried at amortized cost	13.06	-
Total	605.51	-

NOTE NO. 32**DEPRECIATION AND AMORTISATION EXPENSE**

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Depreciation	402.82	-
Depreciation on Right of use Assets	87.32	-
Total	490.15	-

NOTE NO. 33**OTHER EXPENSES**

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Consumption of stores & spares	53.77	-
Auditors Remuneration	6.50	0.35
Advertisement	136.15	-
Bad Debts	58.68	-
Bank & other corporate Gurantee charges	21.08	0.01
Commision on Sales	617.72	-
Freight & Forwarding Expenses	1,731.18	-
Insurance Charges	51.36	-
Legal & Professional Charges	128.49	0.14
Office Maintenance Exp.	88.48	-
Postage & Courier Charges	13.15	-
Printing & Stationery	32.18	-
Provision for Doubtful Debts (net)	98.60	-
Power Charges	78.57	-
Stock exchange Listing Fees	21.10	-
Rates, Fee & Taxes	51.07	0.17
Director Sitting Fees	14.95	-

NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023

(All amount in ₹ Lakhs unless otherwise stated)

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Authorized Share capital increase fees	15.76	-
Short term Lease	160.90	-
Repair & Maintenance	189.44	-
Sales Promotion	2,271.13	-
Telephone Expenses	46.63	-
Travelling & Conveyance	447.01	-
Vehicle Running & Maintenance	17.90	-
Loss on Discarded Assets	0.88	-
Miscellaneous Expenses	11.45	-
Total	6,364.16	0.68

NOTE NO. 34

AUDITORS REMUNERATIONS IN RESPECT OF:

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Statutory audit fee	4.00	0.35
Fee for Interim condensed financial statement	2.00	-
Limited Review report	0.50	-
Total	6.50	0.35

NOTE NO. 35

INCOME TAX RECOGNISED IN STATEMENT OF PROFIT AND LOSS

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Income tax of current year	-	-
Deferred tax of current year	21.62	0.01
Total	21.62	0.01

The income tax expenses for the year can be reconciled to the accounting profit or loss as follows:

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Profit/(loss) before tax	(1,105.23)	(0.68)
Applicable tax rate	25.168%	25.168%
Tax at the Indian tax rate of 25.168% (Previous year 25.168%)	-	-
Current Tax (A)	-	-
Increment Deferred Tax Liability on Account of Property, Plant & Equipment and Others	52.36	-
Increment Deferred Tax Assets on Financial Assets and Others	(30.73)	0.01
Deferred Tax (B)	21.62	0.01
Income tax expenses recognized in statement of profit and loss (A+B)	21.62	0.01
Effective tax rate	-1.96%	-1.42%

**NOTES** (Contd.)**FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023**

(All amount in ₹ Lakhs unless otherwise stated)

NOTE NO. 36**EARNING PER SHARE (EPS)**

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Basic and Diluted Earnings Per Share		
Profit/(Loss) after tax as per the Statement of Profit and Loss	(1,126.85)	(0.69)
No. of equity shares		
Weighted Average No. of equity shares outstanding during the year	1,50,63,523	30,400
Basic Earning Per Share (₹)	(7.48)	(2.27)
Diluted Earning Per Share (₹)	(7.48)	(2.27)

NOTE NO. 37**CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)**

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
a. Contingent Liabilities (see Note 37.1 and 37.2 below)	-	-
(i) Claims against the company not acknowledged as debt		
-Service Tax	162.52	-
	162.52	-
b. Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advance)	-	-
	-	-
Total (a)+(b)	162.52	-

37.1 INCOME TAX : Prior to appointed date of scheme of arrangement, the transferee company i.e Kamdhenu Limited had filed an appeal before CIT (Appeal) against the order u/s 143(3) of Income Tax Act 1961 in respect of assessment year 2018-19 against tax/penalty/fine/interest demand of ₹ 703.89 Lakhs. The component of addition in respect of which demand raised was related to Paint business only. The Transferee Company while filing appeal before CIT (Appeal) deposited a sum of ₹ 142.30 Lakhs and was transferred to the Group as at 1.4.2022 as income tax paid under appeal.

The National faceless appeal centre vide order u/s 250 under Income Tax Act, 1961 dated 27th March, 2023 allowed appeal of the transferee company, now vested with the Group.

The assessing officer has also given appeal effect of the said order, accordingly, there is nil demand and refund of ₹ 142.79 Lakhs has been recomputed. Accordingly amount of ₹ 142.30 Lakhs being amount deposited by the Group has become due to be received from Income Tax Department, therefore, shown as current financial assets. As per information available till the date of this balance sheet, the department has not filed an appeal before ITAT Therefore, No Contingent liability in this regard has been shown in financial statement.

37.2 Central Goods & Service Tax (CGST): Central Goods & Service Tax Department has issued a letter for reversal of input tax credit on few invoices aggregated to ₹ 214.86 Lakhs prior to 1st April, 2022 in transferee company pertaining to paint business of Group against which ₹ 50.00 Lakhs was deposited by transferee company under protest. Since reversal of this input tax credit related to paint business, amount deposited under protest was transferred by transferee company to the Group. The transferee company has filed suitable replies to the department and the Group expects that no liability is likely to be devolved on the Company for such reversal sought, hence no provision for such reversal has been made by the Group.

NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023

(All amount in ₹ Lakhs unless otherwise stated)

NOTE NO. 38

The National Company Law Tribunal Chandigarh Bench, Chandigarh vide its order dated 03.06.2022 approved the scheme of arrangement between Kamdhenu Concast Limited, Kamdhenu Overseas Limited, Kamdhenu Paint Industries Limited, Kamdhenu Infradevelopers Limited, Kamdhenu Nutrients Private Limited, Kay2 Steel Limited, Tiptop Promoters Private Limited (All Transferor company), Kamdhenu Limited (Transferee Company), Kamdhenu Colour and Coatings Limited (Resulting Company) and the company whereby Paint business of Kamdhenu Limited got transferred to and vested in Resulting company and all transferor companies got merged with transferee company under section 230 to 232 read with section 66 of Companies Act 2013. In accordance with the accounting treatment specified in scheme of arrangement, the company has accounted impact of scheme of arrangement as under:

- New equity shares of ₹ 1346.78 Lakhs and 9% Compulsorily redeemable Preference Shares amounting to ₹ 400.16 Lakhs have been issued by the company to the equity and Preference Shareholders of Kamdhenu Limited pursuant to clause 3.9.1 and 3.9.2 of the scheme.
- Pre-Scheme issued and paid-up share capital of the Company which consists of 30,400 Equity Shares of ₹ 10 each aggregating ₹ 3.04 Lakhs has been cancelled and 30,400 9% Compulsorily Redeemable Preference Shares of ₹ 10 each aggregating ₹ 3,04,000, has been accounted in place of such cancelled equity share capital as per Clause 3.10 of the Scheme.
- The Company has accounted 'Deemed Investment' (forming part of overall investment) in its books of accounts by an amount equivalent to the Net Assets Value of the Demerged Business vested in the Kamdhenu Colour and Coatings Limited as under:

Amount of assets pertaining to demerged business vested in Kamdhenu Colour and Coatings Limited

	Amount (₹ in Lakhs)
ASSETS	
Non-Current Assets	
(a) Property, Plant and Equipment	4,332.49
(b) Capital work in Progress	99.48
(c) Right of Use Assets	152.62
(d) Financial Assets	
(i) Other Financial Assets	58.96
(e) Other Non-Current Assets	280.17
Total Non-Current Assets	4,923.72
Current Assets	
(a) Inventories	6,103.02
(b) Financial Assets	-
(i) Trade Receivables	10,822.21
(ii) Cash and Cash Equivalents	1,001.61
(iii) Bank Balances other than (iii) above	167.89
(iv) Loans	32.91
(v) Other Financial Assets	436.12
(c) Other Current Assets	214.06
Total Current Assets	18,777.83
Total Assets (A)	23,701.55

**NOTES** (Contd.)**FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023**

(All amount in ₹ Lakhs unless otherwise stated)

	Amount (₹ in Lakhs)
Less: Amount of Liabilities pertaining to demerged business	
LIABILITIES	
Non-Current Liabilities	
(a) Financial Liabilities	
(i) Borrowings	1,160.83
(ii) Lease Liabilities	88.72
(iii) Other Financial Liabilities	425.86
(b) Provisions	253.86
(c) Deferred Tax Liabilities (Net)	109.26
Total Non-Current Liabilities	2,038.54
Current Liabilities	
(a) Financial liabilities	
(i) Borrowings	3,769.41
(ii) Lease Liabilities	73.78
(iii) Trade Payables	7,275.51
(iv) Other Financial Liabilities	588.44
(b) Other Current Liabilities	342.08
(c) Provisions	37.75
Total Current Liabilities	12,086.96
Total Liabilities (B)	14,125.50
Amount carried as deemed investment in the books of company (A-B)	9,576.05

- d. Surplus arising on De-merger [being excess of Deemed Investment over the aggregate face value of the new Equity and Preference Shares issued by the Company to the Shareholders of the Kamdhenu Limited], has been credited to the 'Other Reserve', in the books of the Company as under:

Equity Shares issued

	Amount (₹ in Lakhs)
To the shareholder of Kamdhenu Limited (26,93,5,500 Equity Shares of ₹ 5 each)	1,346.78
9% Compulsorily Redeemable Preference shares issued to the shareholders of Kamdhenu Limited* (39,71,200 9% CRPS Shares)	397.12
	1,743.89
Less: Deemed Investment	9,576.05
Amount Carried to Other Reserve	7,832.15

*Pursuant to cancellation of 30,400 Equity shares of ₹ 10 each as per scheme of arrangement approved, 30400 9% compulsorily redeemable Preference shares of ₹ 10 each aggregated to ₹ 3.04 Lakhs were also issued in addition to ₹ 397.12 Lakhs which aggregates to ₹ 400.16 Lakhs

NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023

(All amount in ₹ Lakhs unless otherwise stated)

- (ii) The Paint business vested in the subsidiary company i.e. Kamdhenu Colour and Coatings Limited effective 1st April, 2022. Key Financial highlights of Paint business in Kamdhenu Limited (transferee company) in financial year ended 31st March, 2022 are as under:-

	Amount (₹ in Lakhs)
(I) Income	
Revenue from Operations	24,144.57
Other income	10.36
Total Income (I)	24,154.93
(II) Expenses	
Cost of Materials Consumed	10,743.74
Purchases of Stock-in-Trade	5,756.16
Changes in Inventory of Finished Goods, Work-in- Process and Stock-in-Trade	(615.38)
Employees Benefits Expense	2,307.53
Finance Costs	644.05
Depreciation & Amortization Expense	458.96
Other Expenses	5,630.96
Total Expenses (II)	24,926.02
(III) Profit/(Loss) before exceptional items and tax (I-II)	(771.09)
(IV) Exceptional Expenses	583.09
Profit/(Loss) before tax (III-IV)	(1,354.18)

NOTE NO. 39

THE DISCLOSURE OF EMPLOYEES BENEFITS AS DEFINED IN THE INDIAN ACCOUNTING STANDARD-19 "EMPLOYEE BENEFITS" ARE AS FOLLOWS:

A) DEFINED BENEFIT PLAN - GRATUITY (UNFUNDED)

2.1 (a): Table Showing Changes in Present Value of Obligations:

Particulars	As at	As at
	31 st March, 2023	31 st March, 2022
Present value of the obligation at the beginning of the period	236.67	-
Interest cost	17.75	-
Current service cost	34.12	-
Benefits paid (if any)	(7.47)	-
Actuarial (gain)/loss	0.25	-
Present value of the obligation at the end of the period	281.33	-

2.2: Key results (The amount to be recognized in the Balance Sheet):

Particulars	As at	As at
	31 st March, 2023	31 st March, 2022
Present value of the obligation at the end of the period	281.33	-
Fair value of plan assets at end of period	-	-
Net liability/(asset) recognized in Balance Sheet and related analysis	281.33	-
Funded Status - Surplus/ (Deficit)	(281.33)	-

**NOTES** (Contd.)**FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023**

(All amount in ₹ Lakhs unless otherwise stated)

2.3 (a): Expense recognized in the statement of Profit and Loss:

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Interest cost	17.75	-
Current service cost	34.12	-
Past Service cost	-	-
Expected return on plan asset	-	-
Expenses to be recognized in P&L	51.87	-

2.3 (b): Other comprehensive (income) / expenses (Remeasurement)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Cumulative unrecognized actuarial (gain)/loss opening. B/F	40.16	-
Actuarial (gain)/loss - obligation	0.25	-
Actuarial (gain)/loss - plan assets	-	-
Total Actuarial (gain)/loss	0.25	-
Cumulative total actuarial (gain)/loss. C/F	40.42	-

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Interest cost on defined benefit obligation	17.75	-
Interest income on plan assets	-	-
Net interest cost (Income)	17.75	-

3.1: Summary of membership data at the date of valuation and statistics based thereon:

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Number of employees	390	-
Total monthly salary	96.25	-
Average Past Service(Years)	5.70	-
Average Future Service (yrs)	19.60	-
Average Age(Years)	38.40	-
Weighted average duration (based on discounted cash flows) in years	12.00	-
Average monthly salary	0.25	-

3.2: Actuarial assumptions provided by the company and employed for the calculations are tabulated:

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Discount rate	7.50 % per annum	-
Salary Growth Rate	5.00 % per annum	-
Mortality	IALM 2012-14	-
Withdrawal rate (Per Annum)	4.00% p.a. (18 to 30 Years)	-
Withdrawal rate (Per Annum)	2.00% p.a. (30 to 44 Years)	-
Withdrawal rate (Per Annum)	2.00% p.a. (44 to 58 Years)	-

NOTES (Contd.)
FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023

(All amount in ₹ Lakhs unless otherwise stated)

3.3: Benefits valued:

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Normal Retirement Age	58 Years	-
Salary	Last Drawn Qualifying Salary	-
Vesting Period	5 Years of Service	-
Benefits on Normal Retirement	15/26 * Salary * Number of leaves.	-
Benefit on early exit due to death and disability	As above except that no vesting conditions apply	-
Limit	20.00	-

3.4: Current Liability (*Expected payout in next year as per schedule III of the Companies Act, 2013) :

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Current Liability (Short Term)*	35.45	-
Non Current Liability (Long Term)	245.88	-
Total Liability	281.33	-

3.5: Sensitivity Analysis:

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Defined Benefit Obligation (Base)	2,81,32,784 @ Salary Increase Rate : 5%, and discount rate :7.5%	-
Liability with x% increase in Discount Rate	2,56,85,602; x=1.00% [Change (9)%]	-
Liability with x% decrease in Discount Rate	3,09,77,085; x=1.00% [Change 10%]	-
Liability with x% increase in Salary Growth Rate	3,09,59,324; x=1.00% [Change 10%]	-
Liability with x% decrease in Salary Growth Rate	2,56,67,863; x=1.00% [Change (9)%]	-
Liability with x% increase in Withdrawal Rate	2,86,03,664; x=1.00% [Change 2%]	-
Liability with x% decrease in Withdrawal Rate	2,75,95,968; x=1.00% [Change (2)%]	-

B) LEAVE ENCASHMENT

The provision for leave encashment based on actuarial valuation has been included in provisions - current and non-current and does not require disclosure as mentioned in para 158 of Ind AS 19.

NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023

(All amount in ₹ Lakhs unless otherwise stated)

NOTE NO. 40

The Group makes contribution to Statutory Provident Fund in accordance with Employees Provident Funds and Miscellaneous Provisions Act 1952. This is the post employment benefit and is in the nature of defined contribution plan. The total amount contributed to provident fund during the year is ₹ 88.47 Lakhs (previous year ₹ NIL) and is included in Note no. 30 " Employees Benefit expenses".

NOTE NO. 41

RELATED PARTY DISCLOSURES

Related party disclosures as required by Indian Accounting Standard (Ind AS) -24 is as under:

A. Related Parties and their Relationship

Name of Related Party	Nature of Relationship
Key Management Personnel	
Sh. Saurabh Agarwal	Managing Director (Appointment as Managing Director w.e.f. 1 st June, 2022)
Sh. Sunil Kumar Agarwal	Non-exceutive Director
Sh. Sachin Agarwal	Non-exceutive Director
Sh. Madhusudan Agarwal	Independent Director (w.e.f. 18 th July, 2022)
Sh. Ramesh Chand Surana	Independent Director (w.e.f. 18 th July, 2022)
Mrs. Nishal Jain	Independent Director (w.e.f. 18 th July, 2022)
Sh. Vineet Kumar Aggarwal	Chief Financial Officer (w.e.f. 9 th September, 2022)
Sh. Nitin Misra	Company Secretary (w.e.f. 18 th July, 2022)
Company in which Directors are interested	Kamdhenu Concast Limited (Merged with Kamdhenu Limited w.e.f 1 st April, 2022 as per scheme of arrangement) Kamdhenu Limited

B. Disclosure of Transactions with Related Parties, as required by Ind AS 24 'Realted Party Disclosure' is given below:

Remuneration/Perquisites	As at 31 st March, 2023	As at 31 st March, 2022
Short-term employee benefits to Key Managerial Personnel		
Sh. Saurabh Agarwal, Managing Director	240.00	-
Sh. Vineet Kumar Agarwal ,Chief Financial Officer	12.65	-
Sh. Nitin Misra, Company Secretary	8.27	-
Total	260.92	-
Defined Benefit Obligation - Gratuity		
Sh. Vineet Kumar Agarwal ,Chief Financial Officer	9.26	-
Sh. Nitin Misra, Company Secretary	2.08	-
Total	11.34	-
Defined Benefit Obligation - Leave Encashment		
Sh. Vineet Kumar Agarwal ,Chief Financial Officer	0.74	-
Sh. Nitin Misra, Company Secretary	0.07	-
Total	0.82	-
Director Sitting Fee		
Shri Sunil kumar Agarwal ,Chairman	2.45	-
Sh. Sachin Agarwal, Non-exceutive Director	2.40	-
Shri Madhusudan Agarwal , Independent Director	3.00	-
Shri Ramesh Chand Surana , Independent Director	2.90	-
Mrs. Nishal Jain, Independent Director	4.20	-
Total	14.95	-

NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023

(All amount in ₹ Lakhs unless otherwise stated)

Remuneration/Perquisites	As at 31 st March, 2023	As at 31 st March, 2022
Loan (Repaid)/Taken		
Kamdhenu Concast Limited	(5.00)	3.00
Total	(5.00)	3.00
Sale of Goods/Services		
Kamdhenu Limited	6.38	-
Total	6.38	-
Purchase of Goods/Services		
Kamdhenu Limited-Rent	48.00	-
Kamdhenu Limited-Corporate Guarantee	16.68	-
Kamdhenu Limited-Trade mark Assignment	1.00	-
Total	65.68	-
Reimbursement of expenses paid by the company		
Kamdhenu Limited	26.21	-
Total	26.21	-
Outstanding Balances		
Balance Receivable		
Loan Receivable from CFO	1.22	-
Total	1.22	-
Balance Payable		
Inter-corporate Loan		
Kamdhenu Concast Limited	-	5.00
Total	-	5.00
Director Remuneration Payable		
Sh. Saurabh Agarwal, Managing Director	15.24	-
Total	15.24	-
Salary Payable		
Sh. Vineet Kumar Agarwal ,Chief Financial Officer	1.06	-
Sh. Nitin Misra, Company Secretary	0.91	-
Total	1.97	-

NOTE NO. 42

FINANCIAL RISK MANAGEMENT

The group activities expose it to variety of financial risks viz. commodity price risk, credit risk, liquidity risk and capital risk. These risks are managed by the senior management of the Group supervised by the Managing Director/ Board of Directors to minimize potential adverse effects on the financial performance of the group.

i) Commodity Risk

Demand/supply risk are inherent in the prices of main raw material and also the prices of Paint, The requirement of raw material is sourced on spot basis so as to float with fluctuations in the market and to guard against price volatility. The Group has also linked its sales to raw material prices so that the Group has adequate cushion to protect its margin in the event of any increase/decrease in raw material costs. In respect of trading business carried out by the Company, there is no commodity risk.

ii) Credit Risk

Credit risk from cash and cash equivalents and bank deposits is considered immaterial in view of the credit worthiness of the banks, the Group works with. The Group has specific policies for managing customer credit risk on an ongoing basis; these policies factor in the customer's financial position, past experience and other customer specific factors.

NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023

(All amount in ₹ Lakhs unless otherwise stated)

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. The Group makes provision for doubtful debt or writes off when a debtor fails to make contractual payments based on provisioning matrix. When loans or receivables have either been provided for or written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. When recoveries are made, these are recognized in Statement of Profit and Loss. The Group has followed Expected Credit Loss (ECL) model to provide for provision for ECL allowance.

The Group do not envisage any financial difficulties resulting in additional credit risk higher than usual credit terms due to COVID-19 outbreak and allowance for expected credit loss is not estimated to exceed the amount already created in books of accounts.

iii) Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash and another financial asset. The Group's approach to managing liquidity is to ensure as far as possible that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed condition, without incurring unacceptable losses or risking damage to the Group's reputation.

The group objective is to maintain a balance between continuity of funding and flexibility through the use of surplus funds, bank overdrafts, bank loans. The Group considers liquidity risk as low risk.

iv) Interest Rate Risk

Interest rate is the risk that fair value or future cash flows of a financial instrument will fluctate because of changes in interest rate. The Group has taken term loan and working capital limits from bank which has considered as variable rate borrowing. The detail of gross borrowings and interest rate sensitivity of borrowing is as under:

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Fixed rate borrowings	-	-
Variable rate borrowings	5,568.13	-
Total Borrowings	5,568.13	-

The impact on profit before tax of change in 50 basis points on variable rate borrowings are as under:-

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Increase in 50 basis point	(27.84)	-
Decrease in 50 basis point	27.84	-

v) Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

31 st March, 2023	Carrying amount	CONTRACTUAL CASH FLOWS			
		Within 1 year	1-2 years	2-5 years	More than 5 years
Borrowings:					
GECL Term Loan	1,169.58	398.00	398.00	373.58	-
Working Capital	3,998.15	3,998.15	-	-	-
9% Compulsorily Redeemable Preference shares(CRPS)	400.39	400.39	-	-	-
Lease Liabilities	112.16	81.29	30.87	-	-
Trade Payables	6,400.10	6,400.10	-	-	-
Other financial liabilities	931.82	422.68	509.15	-	-

NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023

(All amount in ₹ Lakhs unless otherwise stated)

31 st March, 2022	Carrying amount	CONTRACTUAL CASH FLOWS			
		Within 1 year	1-2 years	2-5 years	More than 5 years
Borrowings:					
Borrowings	5.00	5.00	-	-	-
Trade Payables	0.45	0.45	-	-	-

vi) Capital Management

The Group policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Group monitors capital using gearing ratio which is net debt divided by total equity. The Group's net debts includes interest and non interest bearing loans less cash and bank balances. 9% Compulsorily Redeemable preference (CRPS) share was issued to shareholders of Kamdhenu Limited in pursuance of scheme of arrangement.

The Group net debt to Equity ratio is as under:

Particulars	As at	As at
	31 st March, 2023	31 st March, 2022
Total Borrowings (including CRPS)	5,568.13	5.00
Less: Cash and Cash Equivalents	253.36	4.32
Adjusted net debt	5,314.77	0.68
Total Equity	8,048.37	(0.48)
Adjusted net debt to total equity	66.04%	-142%

The Group total owned funds of ₹ 8,048.37 Lakhs is considered adequate by the management to meet its business interest and any capital risk it may face in future.

vii) Foreign Exchange Risk

The Group do not have any foreign currency exposure, hence no foreign currency risks.

NOTE NO. 43

FINANCIAL INSTRUMENTS: ACCOUNTING CLASSIFICATION, FAIR VALUE MEASUREMENTS

31 st March, 2023	Carrying Value	Classification			Fair Value		
		FVTPL	FVTOCI	Amortized Cost	Level 1	Level 2	Level 3
Financial Assets:							
Loans	19.79	-	-	19.79	-	-	-
Other Financial Assets	230.83	-	-	230.83	-	-	-
Trade Receivable	10,360.09	-	-	10,360.09	-	-	-
Cash and cash equivalents	253.36	-	-	253.36	-	-	-
Other Bank Balances	160.00	-	-	160.00	-	-	-

31 st March, 2023	Carrying Value	Classification			Fair Value		
		FVTPL	FVTOCI	Amortized Cost	Level 1	Level 2	Level 3
Financial Liabilities:							
Borrowings	5,568.13	-	-	5,568.13	-	-	-
Lease Liabilities	112.16	-	-	112.16	-	-	-
Trade Payables	6,400.10	-	-	6,400.10	-	-	-
Other Financial Liabilities	931.82	-	-	931.82	-	-	-

**NOTES** (Contd.)**FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023**

(All amount in ₹ Lakhs unless otherwise stated)

FINANCIAL INSTRUMENTS: ACCOUNTING CLASSIFICATION, FAIR VALUE MEASUREMENTS

31 st March, 2022	Carrying Value	Classification			Fair Value		
		FVTPL	FVTOCI	Amortized Cost	Level 1	Level 2	Level 3
Financial Assets:							
Other Financial Assets	0.20	-	-	0.20	-	-	-
Cash and cash equivalents	4.32	-	-	4.32	-	-	-

31 st March, 2022	Carrying Value	Classification			Fair Value		
		FVTPL	FVTOCI	Amortized Cost	Level 1	Level 2	Level 3
Financial Liabilities:							
Borrowings	5.00	-	-	5.00	-	-	-
Trade Payables	0.45	-	-	0.45	-	-	-

NOTE NO. 44**a) Operating Segment**

Operating segments are established on the basis of those components that are evaluated regularly by the Management in deciding how to allocate resources and in assessing performance. The Managing Director of the Group reviews the performance of Group segment, i.e. trading activities and paints business, accordingly at Group level there are two business segment viz., Steel TMT Bars and Paint products.

Segment Revenue, Segment Expenses, Segment Assets and Segment Liabilities of respective segments of the Group is as under:-

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Segment Revenue		
-Steel Trading	899.03	-
- Paint	25,051.32	-
Gross Revenue from operations	25,950.36	-
Segment Results		
-Steel Trading	(94.03)	(0.35)
- Paint	(1,011.21)	(0.33)
Total Profit /(loss) before tax	(1,105.24)	(0.68)
Segment assets		
-Steel Trading	28.75	3.72
- Paint	21,919.33	1.25
Total assets	21,948.08	4.97
Segment Liabilities		
-Steel Trading	411.08	5.27
- Paint	13,488.63	0.18
Total Liabilities	13,899.71	5.45

b) Information about geographical areas

The following information discloses revenue from external customers based on geographical area.

NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023

(All amount in ₹ Lakhs unless otherwise stated)

i) **Revenue from external customers (net of discounts, credit notes, etc.)**

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
India	25,950.36	-
Outside India	-	-

ii) **None of the non-current assets are located outside India.**

iii) **The details of no. of customer contributing 10% or more of trading business of the company is as under:-**

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
No. of customers	4	-
Amount	856.89	-

NOTE NO. 45

The Group follows Ind AS 116 in respect of Leases, in accordance of which the Group accounts for Right of use assets.

The detail of right of use asset held by the Group is as follows:

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Opening Balance of Right of use assets	-	-
Addition as at 01.04.2022 on account of demerger of Paints Business in the Group (Refer Note No. 38(c))	152.62	-
Addition in Right of use assets during the year ended	111.48	-
Deletion during the year	(102.69)	-
Amortization of Right of use assets	(87.32)	-
Deductions/Adjustments during the year	32.76	-
Balance of Right of use assets	106.85	-

Depreciation on right of use asset is ₹ 87.32 Lakhs and interest on lease liability for year ended 31st March, 2023 is ₹ 17.33 Lakhs. Lease Contracts entered by the Group majorly pertains to building taken on lease to conduct the business activities in ordinary course.

Impact of Covid-19

The leases that the Group has entered with lessors towards properties used as corporate office/office are long term in nature and no changes in terms of those leases are expected due to Covid-19.

Current and Non-Current Lease Liability are as follows:-

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Current lease liability	81.29	-
Non-Current lease liability	30.87	-
Total	112.16	-

**NOTES** (Contd.)**FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023**

(All amount in ₹ Lakhs unless otherwise stated)

Movement in Lease Liability are as follows:-

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Balance at the beginning of the year	-	-
Addition as at 1 st April, 2022 on account of demerger of Paints Business in the Group (Refer Note No. 38(c))	162.50	-
Addition during the year	111.48	-
Finance cost accrued during the year	17.33	-
Deletion	(73.18)	-
Payment of lease liability and Interest there on	(105.97)	-
Balance at the end of the year	112.16	-

The table below provides details regarding the Contractual Maturities of Lease Payment as at 31st March, 2023 on an Undiscounted basis:

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Less than one year	106.59	-
One to five year	51.88	-

The Group do not foresee Liquidity Risk with regard to its Lease Liabilities as the Current Assets are Sufficient to meet the obligations related to Lease Liability as and when they fall due.

NOTE NO. 46**Statement Containing Salient features of Subsidiary**

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Name of Subsidiary	Kamdhenu Colour and Coatings Limited	Kamdhenu Colour and Coatings Limited
Date since when became subsidiary	18 th January, 2020	18 th January, 2020
Reporting Period	1 st April, 2022 to 31 st March, 2023	1 st April, 2021 to 31 st March, 2022
Share Capital	3.04	3.04
Reserve & Surplus	8,541.06	(1.97)
Total Assets	22,032.73	1.25
Total Liabilities	13,488.63	0.18
Investment	-	Nil
Turnover	25,051.32	Nil
Profit (Loss) before Tax	(1,011.22)	(0.32)
Provision for Tax/ Deferred Tax	21.62	0.01
Profit (Loss) after Tax	(1,032.84)	(0.33)
% of Share Holding	100%	100%

NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023

(All amount in ₹ Lakhs unless otherwise stated)

NOTE NO. 47

Additional information Pursuant To Schedule III Of The Companies Act 2013:

As at 31st March, 2023

Name of the entity	Net Assets		Share in profit (loss)	
	As % of consolidated net assets	Amount	As % of consolidated profit/ (loss)	Amount
Subsidiary Companies:				
Kamdhenu Colour and Coatings Limited	106.16%	8,544.10	91.66%	(1,032.84)

NOTE NO. 48

Disclosure in accordance with requirements under Ind AS-10 Event after the reporting date:

There are no events after the reporting date requiring disclosure.

NOTE NO. 49

STANDARDS ISSUED AND AMENDED BUT NOT EFFECTIVE

The Ministry of Corporate Affairs (MCA) notifies new Indian Accounting Standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23th March, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023 applicable from 1st April, 2023, as below:

IND AS 1 - Presentation of Financial Statements- The amendments require companies to disclose their material accounting policy rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Group does not expect this amendment to have any significant impact in its financial statement.

IND AS 12- Income Taxes- The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transaction that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Group is evaluating the impact, if any, in its financial statements.

Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors- The amendments will help entities to distinguish between accounting policies and accounting estimates, the definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statement that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require item in financial statement to be measured in a way that involves measurement uncertainty. The Group does not expect this amendment to have any significant impact in its financial statements.

NOTE NO. 50

No funds have been advanced/loaned/invested (from borrowed fund or from share premium or from any other sources/kind of fund) by the company to any other person(s) or entity(ies), including foreign entities(intermediaries), with the understanding (whether recorded in writing or otherwise) that the intermediary shall (i) directly or indirectly lend or invest in other person or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or like to or on behalf of the Ultimate Beneficiaries.

No funds have been received by the company from any person(s) or entity(ies), including foreign entities (funding Parties), with the understanding (whether recorded in writing or otherwise) that the company shall (i) directly or indirectly lend or invest in

**NOTES** (Contd.)**FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023**

(All amount in ₹ Lakhs unless otherwise stated)

other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

NOTE NO. 51

The Indian parliament has approved the Code of Social Security, 2020 which would impact the contribution by the Group towards provident fund and gratuity. The Ministry of Labour and Employment has released draft rules for Code on Social Security, 2020 on November 13, 2020. The Group will assess the impact and its evaluation once the subject rules are notified. The Group will give appropriate impact in its financial statement in the period in which, the code become effective and the related rules to determine the financial impact are published.

NOTE NO. 52**Additional regulatory information required by Schedule-III of Companies Act 2013**

- 1) **Relationship with struck off Companies:** The Group do not have any relationship with companies struck off under section 248 of Companies Act 2013 or Section 560 of Companies Act 1956.
- 2) **Details of Benami Property:** No proceedings have been initiated or are pending against the Group for holding any Benami property under Benami Transactions (Prohibition) Act 1988 and the Rules made thereunder.
- 3) **Compliance with approved Scheme of Arrangement:** In pursuance of scheme of arrangement duly approved by Hon'ble NCLT of Chandigarh from appointed date of 1st April 2022, the Group have taken accounting impact in current year in accordance with accounting treatment given in the Scheme and no deviation was observed (Refer Note 38).
- 4) **Undisclosed Income:** There is no income surrendered or disclosed as income during current or previous year in the tax assessment under the Income Tax Act 1961 that has not been recorded in books of accounts.
- 5) **Details of Crypto Currency or Virtual Currency:** The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.
- 6) **Registration of Charges:** There are no charges or satisfaction of charge which are yet to be registered with ROC beyond the statutory period.
- 7) **Wilful Defaulter:** The Group has not been declared a wilful defaulter by any bank or financial institution or government or any government authorities during the year ended March 31, 2023 and March 31, 2022.

NOTE NO. 53

The current year figures includes financial data arising out of scheme of arrangement approved by NCLT Chandigarh and are not comparable with the previous year figures.

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our separate report of even date annexed here with.

For **M.C. BHANDARI & Co.**
Chartered Accountants
FRN: 303002E

Ravindra Bhandari
Partner
Membership Number: 097466

Date: 18th May, 2023
Place: Gurugram

For and on behalf of board of directors of
Kamdhenu Ventures Limited

Sunil Kumar Agarwal
Chairman
DIN: 00005973

Vineet Kumar Agarwal
Chief Financial Officer

Saurabh Agarwal
Managing Director
DIN: 00005970

Nitin Misra
Company Secretary

KAMODUAL
Emulsion
For Both Interior & Exterior Wall

KAMDHENU
PAINTS
Sampurna Suraksha Ki Guarantee





KAMDHENU VENTURES LIMITED

CIN: L51909HR2019PLC089207

Regd. Office: 2nd Floor, Building No. 9A
DLF Cyber City, Phase - III,
Gurugram - 122002, Haryana

Ph.: 0124-4604500 (30 lines)

Email: cs@kamdhenupaints.com

Website: www.kamdhenupaints.com



KAMDHENU VENTURES LIMITED
Regd. Off. : 2nd Floor, Building No. 9A, DLF Cyber City,
Phase-III, Gurugram, Haryana - 122002 (India)

Ref: KVL/SEC/2023-24/46

Date: 31st July, 2023

To,
The Manager- Listing
National Stock Exchange of India Limited,
Exchange Plaza, BandraKurla Complex,
Bandra (E), Mumbai-400 051

To,
The Manager- Listing
BSE Limited,
PhirozeJeejeebhoy Towers,
Dalal Street, Mumbai- 400 001

NSE Symbol: KAMOPAINTS

BSE Scrip Code: 543747

Subject: Submission of the Notice of 4th Annual General Meeting of Kamdhenu Ventures Limited ('the Company').

Dear Sir/ Madam,

In furtherance to our earlier letter dated 25th July, 2023 and in compliance with the Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Notice of the 4th Annual General Meeting of the Company scheduled to be held on Wednesday, 23rd August, 2023 at 04:00 P.M. (IST) through Video Conferencing/ Other Audio Visual Means.

The Notice of the 4th Annual General Meeting of the Company is also available on the website of the Company at : <https://www.kamdhenupaints.com/general-meeting>.

We request you to kindly take the same on records.

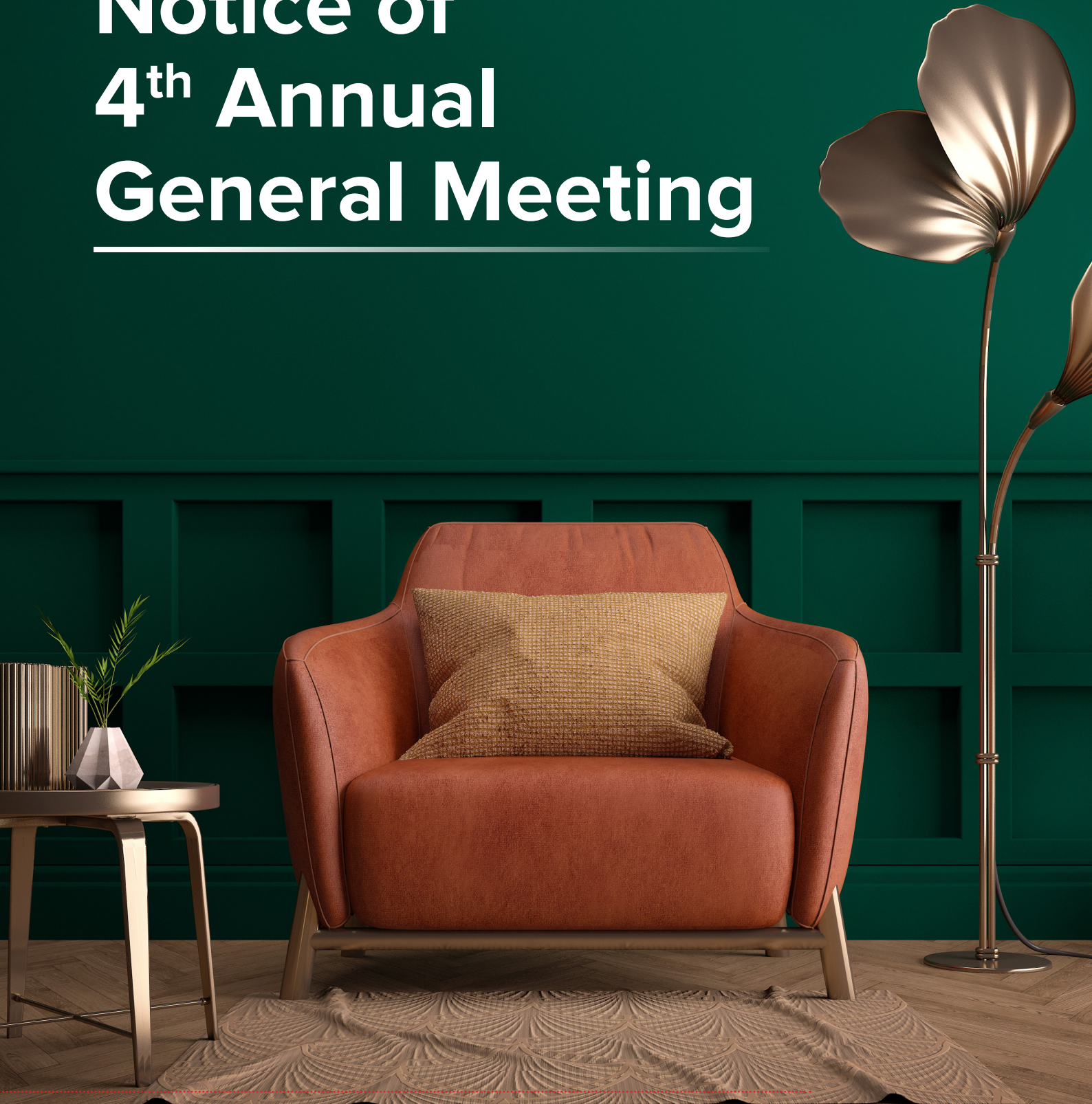
Thanking you,
Yours faithfully,

For Kamdhenu Ventures Limited

Nitin Misra
Company Secretary & Compliance Officer

Encl: as above.

Notice of 4th Annual General Meeting





KAMDHENU VENTURES LIMITED

[CIN: L51909HR2019PLC089207]

Regd. Office: 2nd Floor, Tower-A, Building No. 9, DLF Cyber City, Phase-III, Gurugram, Haryana-122002,

Phone: 0124-4604500, **E-mail:** cs@kamdhenupaints.com

Website: www.kamdhenupaints.com

NOTICE OF 4TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the Forth (4th) Annual General Meeting ("**AGM**") of the Members of **KAMDHENU VENTURES LIMITED ("the Company")** will be held on Wednesday the 23rd day of August, 2023 at 04:00 P.M (IST) through Video Conferencing ("**VC**")/ Other Audio Visual Means ("**OAVM**"). The venue of the AGM shall be deemed to be the Registered Office of the Company and the proceedings of the AGM shall be deemed to be made there at, to transact the following Businesses:

ORDINARY BUSINESSES:

- 1. TO RECEIVE, CONSIDER AND ADOPT THE AUDITED (STANDALONE AND CONSOLIDATED) FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023, TOGETHER WITH REPORTS OF THE AUDITORS' AND THE BOARD OF DIRECTORS THEREON.**

To consider and, if thought fit, to pass the following resolutions as Ordinary Resolution:

"RESOLVED THAT the Standalone Audited Financial Statements of the Company including the Balance Sheet as at 31st March, 2023, the statement of profit and loss, the cash flow statement for the Financial Year ended on 31st March, 2023 notes to financial statements and the Reports of the Auditors' and the Board of Directors thereon, laid before the meeting, be and are hereby received, considered and adopted.

RESOLVED FURTHER THAT the Consolidated Audited Financial Statements of the Company including the Balance Sheet as at 31st March, 2023, the statement of profit and loss, the cash flow statement for the Financial Year ended on 31st March, 2023 notes to financial statements and the Reports of the Auditors' thereon, laid before the meeting, be and are hereby received, considered and adopted."

- 2. TO APPOINT SHRI SUNIL KUMAR AGARWAL (DIN: 00005973), DIRECTOR OF THE COMPANY, WHO RETIRES BY ROTATION AT THIS ANNUAL GENERAL MEETING AND BEING ELIGIBLE OFFERS HIMSELF FOR RE-APPOINTMENT.**

To consider and, if thought fit, to pass the following resolution as Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Shri Sunil Kumar Agarwal (DIN: 00005973), who retires by rotation and being eligible offers himself for appointment, be and is hereby appointed as a Director of the Company liable to retire by rotation."

**By order of The Board of Directors of
Kamdhenu Ventures Limited**

Sd/-

Nitin Misra

Company Secretary &

Compliance Officer

Membership No.: F10131

Registered Office:

Kamdhenu Ventures Limited

CIN: L51909HR2019PLC089207

2nd Floor, Tower-A, Building No. 9, DLF Cyber City,

Phase-III, Gurugram- 122002 Haryana, India

Telephone No.: 0124-4604500

Email : cs@kamdhenupaints.com

Website : www.kamdhenupaints.com

Date: 18th May, 2023

Place: Gurugram

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NOTES:

1. No Special business is being transacted in the 4th AGM thus the requirement to annex the Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 (**"the Act"**) is not applicable. However in terms of Regulation 36(3) of SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015, and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ('SS-2') respectively, disclosures with respect to the Directors seeking re-appointment is made part of the notice of the 4th AGM.
2. The Ministry of Corporate Affairs, Government of India ("MCA") vide its General Circular Nos. 14/2020, 17/2020, 20/2020 and 10/2022 dated 8th April, 2020, 13th April, 2020, 5th May, 2020 and 28th December, 2022, respectively and other circulars issued in this respect (collectively referred to as "MCA Circulars") has allowed, inter-alia, to conduct AGMs through Video Conferencing/ Other Audio-Visual Means ("VC/ OAVM") facility on or before 30th September, 2023, in accordance with the requirements provided in paragraphs 3 and 4 of the MCA General Circular No. 20/2020. The Securities and Exchange Board of India ("SEBI") also vide its Circular No. SEBI/HO/CFD/PoD-2/P/ CIR/2023/4 dated 5th January, 2023 ("SEBI Circular") has provided certain relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements Regulations, 2015 ("Listing Regulations"). In compliance with these Circulars, provisions of the Act and the Listing Regulations, the 4th AGM of the Company is being conducted through VC/ OAVM facility, without physical presence of members at a common venue. The deemed venue for the 4th AGM shall be the Registered Office of the Company situated at 2nd Floor, Building No. 9, Tower-A, DLF Cyber City, Phase-III, Gurugram - 122002 Haryana.
3. Since the AGM is being held in accordance with the Circulars through VC/OAVM, where physical attendance of members has been dispensed with and therefore, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by members under Section 105 of the Act will not be available for the 4th AGM, Accordingly, the Proxy Form, Attendance Slip and Route Map of the 4th AGM are not annexed to the Notice.
4. Corporate Members intending to authorize their representatives to participate in the AGM through VC/OAVM on its behalf and to vote through remote e-voting/during the AGM, pursuant to Section 113 of the Companies Act, 2013, are requested to send a certified copy of the relevant board resolution to the Scrutinizer by email through its registered mail addresses to shashikant@cacsindia.com and Company on cs@kamdhenupaints.com in terms of the provisions of Section 112 and Section 113 of the Act, for the purpose of voting through remote E-Voting and for participation in the 4th AGM through VC/ OAVM facility and E-Voting (InstaPoll) during the 4th AGM.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (**"ICSI"**) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), National Securities Depository Limited (**"NSDL"**) is designated to provide remote e-voting facility before the meeting and to provide e-voting platform during the meeting, in a secured manner. M/s Mas Services Limited, a SEBI registered intermediary is appointed to provide a platform for convening the meeting through Video Conferencing; to handle and supervise the entire process of holding the meeting through Video Conferencing, e-voting, and processing of data relating to the meeting and voting, etc through NSDL Platform.
6. In terms of the MCA Circulars, the Annual Financial Statements, Annual Report for the financial year 2022-23 along with Notice of the 4th AGM of the Company, will be available on the website of the Company at www.kamdhenupaints.com, on the website of NSE and BSE Limited at www.nseindia.com and www.bseindia.com and also on the website of National Securities Depositories Limited (**"NSDL"**) at www.evoting.nsdl.com. Since, the 4th AGM will be held through VC/ OAVM facility, the Route Map is not annexed in this Notice.
7. Members may note that the VC/ OAVM facility provided by NSDL, allows participation of at least one thousand members on a first-come-first-served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional

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- Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. Members may join the 4th AGM through VC/ OAVM facility by following the procedure as mentioned below which shall be kept open for the members from 03:30 P.M (IST) i.e. 30 minutes before the time scheduled to start the 4th AGM and the window for joining the VC/ OAVM facility will be closed 15 minutes after the scheduled time to start the 4th AGM.
8. Participation of members through VC/OAVM will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Companies Act, 2013 ("the Act").
 9. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and other relevant registers including the register maintained under Section 189 of the Act and documents referred in the Notice will be available electronically for inspection by the members during the AGM. Members keen to inspect all the documents as referred in the Notice are available for inspection electronically during business hours i.e. between 10:00 A.M. (IST) to 04:00 P.M. (IST), by the members from the date of circulation of this Notice up to the date of AGM, without any fee. Members seeking to inspect such documents can send an email to cs@kamdhenupaints.com.
 10. Electronic copy of the Notice of this AGM along with the Annual Report for the financial year 2022-23 is being sent to all the members whose email addresses are registered with the Company/ Depository Participant(s) for communication purposes, in compliance with the MCA and SEBI Circulars. In case any member is desirous of obtaining hard copy of the Annual Report for the financial year 2022-23 and Notice of this AGM of the Company, may send request to the Company's email address at cs@kamdhenupaints.com mentioning their Foilo No./ DP ID and Client ID.
 11. The Company has fixed Friday, 28th July, 2023 as the cut-off date, for the purpose of sending notice of this AGM and Annual Report and other documents thereto, to the shareholders of the Company.
 12. Members are requested to address all correspondence, to the Company, Kamdhenu Ventures Limited, 2nd Floor, Tower-A, Building No. 9, DLF Cyber City, Phase III, Gurugram- 122002 Haryana and RTA, Skyline Financial Services Private Limited, D--153A , 1st Floor, Okhla Industrial Area, Phase -I, New Delhi - 110 020.
 13. We urge members to support our commitment to environmental protection by choosing to receive the Company's communication through email. Members, whose email address is not registered with the Company or with their respective Depository Participant(s), and who wish to receive the Notice of this AGM and the Annual Report for the financial year 2022-23 and all other communication sent by the Company, from time to time, can get their email address registered by following the steps as given below:
 - a. Members holding shares in physical form may send scan copy of a signed request letter in prescribed form ISR-1 available on the website of the Company, mentioning the folio number, complete address, email address to be registered along with scanned self-attested copy of the PAN and any document (such as Driving License, Passport, Bank Statement, AADHAR) supporting the registered address of the Member, by email to the Company's email address at cs@kamdhenupaints.com or to the RTA at admin@skylinerta.com.
 - b. Members holding shares in demat mode may update the email address through their respective Depository Participant(s).
 14. The Securities and Exchange Board of India (SEBI) vide its circular no. SEBI/HO/MIRSD/MIRSD-PoD-1/P/ CIR/2023/37 dated 16th March, 2023, has mandated furnishing of PAN, Nomination, Contact Details, Bank Account details and Specimen Signature ("mandatory KYC") by the shareholders holding shares in physical form before 30th September, 2023. SEBI has also stipulated that if the shareholders holding shares in physical mode do not update the PAN, KYC and Nomination details or these details are not made available to the Company/their Registrar and Share Transfer Agents (RTA) on or after 1st October, 2023, then such folios shall be frozen by RTA as per the directive issued by SEBI. Members may note that, in terms of the Listing Regulations equity shares of the Company can only be transferred in dematerialized form.
 15. As per Regulation 40 of SEBI Listing Regulations, as amended, and vide SEBI Notification No. SEBI/LAD-NRO/ GN/2018/24 dated 8th June, 2018 and further amendment through Notification No. SEBI/

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LAD NRO/GN/2018/49 dated 30th November, 2018, securities of listed companies can be transferred only in dematerialized form with effect from 1st April, 2019, except in case of requests received for transmission or transposition of securities. To eliminate all risks associated with physical shares and for ease of members with respect to their portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact Company's RTA, Skyline Financial Services Private Limited for assistance in this regard. Further, as per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit these details to their Depository Participants in case the shares are held by them in electronic form, and to the RTA, Skyline Financial Services Private Limited, in case the shares are held in physical form.

16. Any person, who acquires shares of the Company and becomes member of the Company after the Company sends the Notice of this AGM along with Annual Report for Financial Year 2022-23 by email and holds shares as on the cut-off date i.e., Wednesday, 16th August, 2023, may obtain the User ID and password by sending a request to the Company Secretary at cs@kamdhenupaints.com and you may also write an email at sm@massserve.com. After receipt of the above credentials, please follow the steps mentioned in this notice, to cast the vote. However, if you are already registered with NSDL for remote e-Voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/ Password" or "Physical User Reset Password?" option available on www.evoting.nsdl.com.
17. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting or casting vote through e-Voting system during the 4th AGM. In case of joint holders, the Members whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e. Wednesday, 16th August, 2023.
18. During the 4th AGM, the Chairman shall, after response to the questions raised by the members in advance or as by the speakers at the AGM, formally propose to the members participating through VC/ OAVM facility to vote on the resolutions as set out in the Notice of the AGM and announce the start of the casting of vote through the e-Voting system. After the members participating through VC/ OAVM facility, eligible and interested to cast votes, have cast the votes, the e-Voting will be closed with the formal announcement of closure of the 4th AGM.
19. The Board of Directors has appointed Shri Shashikant Tiwari (FCS No. 11919) or failing him Shri Rupesh Agarwal (Membership No. ACS-16302) of Chandrasekaran Associates, Practicing Company Secretary, as the Scrutinizer to scrutinize remote e-voting process and the voting during the AGM, in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for the same purpose.
20. The Scrutinizer shall after the conclusion of e-Voting at the 4th AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall, not later than two (02) working days in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 from conclusion of the AGM, make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and such Report shall then be sent to the Chairman or a person authorized by him, who shall then countersign and declare the result of the voting forthwith. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company at www.kamdhenupaints.com and on the website of NSDL at www.evoting.nsdl.com. The Results shall also be simultaneously forwarded to the Stock Exchanges National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.
21. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company at least 10

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days before the date of meeting through email on cs@kamdhenupaints.com. The same will be replied by the Company suitably.

22. The relevant details as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meeting (SS-2) issued by The Institute of Company Secretaries of India, and Directors seeking appointment/re-appointment at this AGM, forms an integral part of the Notice of this AGM. Requisite declarations, consent, eligibility have been received from the Directors seeking appointment/ re-appointment.
23. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
24. General Instruction for accessing and participation in the 4th AGM of the Company through VC/OAVM facility and voting through electronic means including remote E-voting (InstaPoll):

I. Instruction for the Member for Voting through Electronic means;

- **The remote e-Voting period will commence from Sunday, 20th August, 2023 at 09:00 A.M. (IST) and end on Tuesday, 22nd August, 2023 at 05:00 P.M. (IST).**
- During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e., Wednesday, 16th August, 2023 may cast their vote electronically. The voting right of members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- A person who is not a member as on the cut-off date should treat this Notice of the 4th AGM for information purpose only.

- Instructions for attending the meeting through Video Conferencing; and voting through electronic means including remote E-voting (InstaPoll) are given at the end of this notice.
- The Members who have cast their vote by remote e-voting prior to the AGM may also attend / participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again.
- The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e. Wednesday, 16th August, 2023.

II. Instructions for Members for participating in the 4th AGM through VC/ OAVM are as under:

- The members will be provided with a facility to attend the 4th AGM through VC/ OAVM through the NSDL e-Voting system. Members may access the same by following the steps mentioned above for "Access to NSDL e-Voting system". The link for VC/ OAVM will be available in "Shareholder/ Member login" where the EVEN ("E-voting Event Number") of the Company will be displayed. After successful login, the members will be able to see the link of ("VC/ OAVM") placed under the tab "Join General Meeting" against the name of the Company. On clicking this link, the members will be able to attend the AGM. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID/ Password may retrieve the same by following the remote e-Voting instructions as mentioned in the notice, to avoid last minute rush.
- Members may join the Meeting through Laptops, Smartphones and Tablets. Further, members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the Meeting. Members will need the latest version of Chrome, Safari, Internet Explorer 11, MS Edge or Firefox. Please note that participants connecting from Smartphones or Tablets or through Laptops connecting via mobile hotspot may experience Audio/ Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any glitches.

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- Members may submit their questions/queries in advance with regard to any matter to be placed at the AGM, from their registered email address, mentioning their name, DP ID and Client ID number/ folio number and mobile number, to reach the Company's email address at cs@kamdhenupaints.com on or before Sunday, 13th August, 2023 by 05:00 P.M. (IST). Such questions/queries by the members shall be taken up during the meeting and replied by the Company suitably.
- Members, who would like to express their view/ask questions during the AGM with regard to the financial statements or any other matter to be placed at the AGM, may register themselves as a Speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID number/ folio number and mobile number, to reach the Company's email address at cs@kamdhenupaints.com at least 72 hours in advance before the start of the meeting i.e. by Sunday, 13th August, 2023 by 05:00 P.M. (IST). Those members who have pre-registered themselves as a speaker will be allowed to express their view/ ask questions during the AGM, depending upon the availability of time.
- In case of any difficulty in registering the e-mail id; e-voting or attending the meeting through Video Conferencing, etc. the following persons may be contacted:

Name	Contact No. & Email id
Shri Nitin Misra, Company Secretary & Compliance Officer, Kamdhenu Ventures Limited	0124-4604500 cs@kamdhenupaints.com
Shri Sharwan Mangla, General Manager, Mas Services Limited	9811742828 sm@masserv.com

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING AGM ARE AS UNDER:-

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:




STEP 1: ACCESS TO NSDL E-VOTING SYSTEM

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated 9th December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center;"> <p>NSDL Mobile App is available on</p>    </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

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Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below and the **EVEN for AGM is 124773:**

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID. For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 124773 then user ID is 124773001***

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5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
 6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
 7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
 8. Now, you will have to click on "Login" button.
 9. After you click on the "Login" button, Home page of e-Voting will open.
- STEP 2: CAST YOUR VOTE ELECTRONICALLY AND JOIN GENERAL MEETING ON NSDL E-VOTING SYSTEM.**
1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
 2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
 3. Now you are ready for e-Voting as the Voting page opens.
 4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
 5. Upon confirmation, the message "Vote cast successfully" will be displayed.
 6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
 7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- General Guidelines for shareholders**
1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to shashikant@cacsindia.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

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2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Shri Amit Vishal, Asst. Vice President, NSDL at evoting@nsdl.co.in.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to cs@kamdhenupaints.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to cs@kamdhenupaints.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method

explained at **step 1 (A)** i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated 9th December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

NOTICE (Contd.)

ADDITIONAL INFORMATION ON DIRECTORS RECOMMENDED FOR APPOINTMENT/REAPPOINTMENT AS REQUIRED UNDER REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATION, 2015, AS AMENDED AND SECRETARIAL STANDARD ISSUED BY INSTITUTE OF COMPANY SECRETARIES OF INDIA, ARE AS UNDER:

Profile of Shri Sunil Kumar Agarwal

Whole-time Director

(DIN:00005973)

Shri Sunil Kumar Agarwal is amongst the founder members of Kamdhenu Ventures Limited, who has made immense contribution in taking the Company to new heights of success and glory.

He has been potent force behind the strong and efficient Kamdhenu marketing network that spreads out across the country. Shri Sunil Kumar Agarwal has vast experience of over 35 years in marketing and has got core expertise in the production and marketing arena and has played vital role in scripting the success story of Kamdhenu Conglomerate.

Visualizing the Company's growth, he has been the brain behind strategizing the expansion of Kamdhenu Ventures Limited. The identification of Paints as an important product line happened under his leadership and his guidance has been instrumental in the growth of the paints business. Shri Sunil Agarwal has been the driving force of the Company with his keen understanding of market dynamics.

Age: 65 Years

Date of First Appointment: 19th October, 2019

Qualification: B.E. (Chemical) from Harcourt Butler Technical University, Kanpur.

Nature of expertise in specific functional areas: Leadership, Industry, Technical, Strategy, Board Service & Governance, Risk Management, Financial, Diversity, Sales & Marketing and Sustainability & ESG.

Terms and Conditions of appointment/re-appointment: Re-appointment as a Non - Executive Director, liable to retire by rotation, offers himself for re-appointment as such under sec 152(6) of Companies Act 2013.

Remuneration Drawn: Shri Sunil Kumar Agarwal, Chairman & Non-Executive Director of the Company has been drawing remuneration in the form of Sitting Fees for attending meetings of the Company.

Shareholding: 26,79,490 Equity Shares having face value of ₹ 5/- each.

Inter-se relationship between Director/Manager and other KMPs: Shri Sunil Kumar Agarwal is related to Shri Saurabh Agarwal and Shri Sachin Agarwal, Directors of the Company.

Number of Meeting attended during the year: Details w.r.t. the number of Board and Committee meetings attended by Shri Sunil Kumar Agarwal has been provided in Corporate Governance Report, which forms a part of Annual Report 2022-23.

Names of listed entities in which they also hold the directorship and the membership of Committees of the board along with listed entities from which they has resigned in the past three years:

Name of Listed Company	Designation
Kamdhenu Limited	Whole-time Director
Kamdhenu Ventures Limited	Chairman & Non-Executive Director

Name of Committee	Designation
Kamdhenu Limited	
Audit Committee	Member
Corporate Social Responsibility Committee	Member
Risk Management Committee	Member
Kamdhenu Ventures Limited	
Risk Management Committee	Chairman

NOTICE (Contd.)

Shri Sunil Kumar Agarwal, has not resigned from any Listed Company in preceding three years.

Directorships other than listed Company as on 31st March, 2023:

- Radhey Bio. Tech Private Limited
- Kamdhenu Metallic Industries Limited
- Kamdhenu Colour and Coatings Limited
- Kamdhenu Global Alliance Limited
- Kamdhenu Jeevandhara Foundation

Stock Option: No stock options granted during the financial year 2022-23

**By order of The Board of Directors of
Kamdhenu Ventures Limited**

Sd/-

Nitin Misra

Company Secretary & Compliance Officer
Membership No.: F10131

Registered Office:

Kamdhenu Ventures Limited
CIN: L51909HR2019PLC089207
2nd Floor, Tower-A, Building No. 9, DLF Cyber City,
Phase-III, Gurugram- 122002 Haryana, India
Telephone No.: 0124-4604500
Email : cs@kamdhenupaints.com
Website : www.kamdhenupaints.com

Date: 18th May, 2023

Place: Gurugram