

Ref: KL/SEC/2022-23/36

Date: 05<sup>th</sup> July, 2022

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

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

NSE Symbol: KAMDHENU

BSE Scrip Code: 532741

**Subject: Submission of the Annual Report for the financial year 2021-22 along with the Notice of the 28<sup>th</sup> Annual General Meeting of Kamdhenu Limited ('the Company').**

Dear Sir/ Madam,

In furtherance to our earlier letter dated 28<sup>th</sup> June, 2022 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 2021-22 along with the Notice of the 28<sup>th</sup> Annual General Meeting of the Company scheduled to be held on Thursday, 28<sup>th</sup> July, 2022 at 11:30 A.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://www.kamdhenulimited.com/pdf/Annual Report 2021-22.pdf>.

We request you to kindly take the same on records.

Thanking you,  
Yours faithfully,

For Kamdhenu Limited



**Khem Chand,**  
Company Secretary & Compliance Officer

Encl.: as above.



**The Next**  
**ORBIT**



# Whats' Inside...

## CORPORATE OVERVIEW 01-33

• The Next Orbit	01
• The Multiverse of our Existence	02
• Milestone that Shaped Our Journey	04
• Products Portfolio	06
• Recognitions	07
• Key Performance Indicators	08
• The Next Orbit : Creating Milkyway	10
• Chairman and Managing Director's Communique	12
• CFO's Message	15
• The Next Orbit : Stride to the Next Level, Becoming an Exoplanet	17
• Our Products	20
• The Next Orbit : towards a Colourful Hypergalaxy and Brighter Tomorrow	22
• The Next Orbit : Unleash Potential	26
• The Next Orbit : Striding to the Next Level through Brand Visibility	28
• The Next Orbit : People Excellence	30
• Widening the Reach	31
• Corporate Information	32

## STATUTORY REPORTS 34-119

• Management Discussion and Analysis	34
• Directors' Report	47
• Business Responsibility Report	78
• Corporate Governance Report	91

## FINANCIAL STATEMENTS 120-244

• Standalone Auditors' Report	120
• Standalone Financial Statements	130
• Consolidated Auditors' Report	184
• Consolidated Financial Statements	190

Please find our online version at:

<https://www.kamdhenulimited.com/>

Simply scan the QR code below to view our  
previous year's report:



### Investor Information

CIN	: L27101HR1994PLC092205
ISIN	: INE390H01012
BSE Code	: 532741
NSE Code	: KAMDHENU
Dividend Declared	: ₹ 1
AGM Date	: 28 <sup>th</sup> July, 2022
AGM Venue/Mode	: Video Conference/OAVM
Market Capitalization as on 31 <sup>st</sup> March, 2022	: ₹ 622 Crores

*Disclaimer: This document contains statements about expected future events and financial & operating results of Kamdhenu Limited ("the Company") 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 will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of 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 the Kamdhenu Limited Annual Report 2021-22.*



# The Next ORBIT

**The Next Orbit** is the next step of Kamdhenu conglomerate into the Galaxy of its vision.

Kamdhenu Group flagship Company Kamdhenu Limited, during last three decades has emerged as a prestigious and trustworthy in its domain of expertise of making TMT Steel Bars. As we move forward, we are laying the indubitable foundation for another excellent decade to come.

With aligned goals, mission and values and a well-defined strategy, we are creating & delivering values for all our stakeholders. Our well-crafted business strategies, indubitable foundation and strong lineage faster longevity and brings resilience to scale.

With a focused approach to scale production and explore new markets we are equally committed to create value for all our stakeholders.

Our urge to expand and innovate responsibly forms the cornerstone of our success. As we take a leap to the next level of progress on the journey we strengthen capabilities, sharpen competencies and add fuel for progressing across markets with innovation, digitalization and sustainability.

## 34% YoY

Revenue Growth in FY 2021-22

## 17% YoY

EBITDA Margin Growth in FY 2021-22

## 74% YoY

Profit after Tax Growth in FY 2021-22

# The Multiverse of our Existence

## The business

Incorporated in 1994, Kamdhenu Limited has evolved as a steel conglomerate, pioneering the franchise-led manufacturing model. Led by visionaries Shri Satish Kumar Agarwal, Shri Sunil Kumar Agarwal, Shri Saurabh Agarwal and Shri Sachin Agarwal, the Company is India's largest TMT selling brands in the retail segment with a strong nationwide network of over 8,000 dealers. It is also associated with over 80 Franchise Units to manufacture Steel Rebars, Structural Steel Products & Color Coated Profile Sheets.

In 2008, the Company strategically forayed into the decorative paints business. Today, it has a Pan-India network of over 4,000 paint dealers. Its KAMDHENU PAINTS-COLOUR DREAMZ brand is recognized amongst top decorative paint brands in India.

The Company has successfully built strong value across both the businesses and is geared up to leverage the multiple growth avenues in its space. Its strong brand, resilient business model and well-entrenched distribution network across the country, coupled with enhanced focus

on high margin B2C sales, asset-light franchisee business and increase in own manufacturing has led to strong results in a short span of time.

## The philosophy

*We never dreamt about the success, we worked for it...*

Success is a constant journey. Every milestone leads to new accomplishments. Every organization, which sets its eyes on growing big has to incessantly abide by a definite set of work-ethics to raise its credibility in the market. That's why, we at Kamdhenu also believe in living up to a set of conventions and follow them conscientiously in each and every sphere of our activities.

## The principles

- Honesty
- Transparency
- Commitment
- Quality Assurance
- Customer Satisfaction



## Our VISION

Kamdhenu aims at decentralization of the production base by strategic tie-up/takeover of unbranded manufacturing units all over the country.

The task in hand is also to convert the above into Kamdhenu Brand through technological up-gradation, implementation of Quality Management System and effective distribution through Dealers & Distributors across the country.

Simultaneously efforts would be made to create consumer awareness for various Kamdhenu quality products and adopt the policy of 'Best Quality Best Price'.



## Mission

**Brand Innovation:** We aim to build a strong brand value which will take forward our legacy

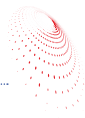
**Innovation:** Our endeavor is to consistently innovate and offer high quality products

**Commitment:** Build loyalty and commitment among channel partners and business associates

**Growth:** We believe growth is a never-ending process and we aspire to seek profitable growth

**Eco-friendly:** Aspiring to be a good corporate citizen and respect the environment by utilizing it wisely

**Talent Community:** Aspiring to be a good corporate citizen and respect the environment by utilizing it wisely



## Key numbers

### STEEL

**23 LAKHS+**

Satisfied consumers of Kamdhenu Steel

**80+**

Franchise units of steel business

**38 LAKHS**

Reinforcement Steel Bars (TMT Bars) capacity

**8,000+**

Steel dealers across India

### PAINTS

**12 LAKHS+**

Satisfied households of Kamdhenu Paints

**4,000+**

Paint dealers across India

**44%**

Growth in profitability over the last 5 years

**750+ CRORES**

Brand Promotion Cost

# Milestone that Shaped Our Journey

**2013**

Launched  
Kamdhenu SS10000  
premium TMT bars

**2014**

Launched  
Kamdhenu Structural Steel

**2015**

Emerged as  
leading TMT selling brand in India

2011-2015

**2016**

Name changed from **Kamdhenu Ispat Limited to Kamdhenu Limited** –positioned as branding and marketing company

**2017**

Launched **Kamdhenu Nxt-TMT interlock steel** for next generation

2016 - 2017

**2019**

- Own Manufacturing Expansion Steel & Paint
- Become **largest TMT Selling Brand** In India, in Retail Segment

**2020**

- Launched **Kamdhenu PAS10000 Steel Bar**
- **Board recommend to hive-off the Paint division**

2018-2020

2021

**2021**

- Signed **Preity G Zinta as Brand Ambassador** for decorative paints business under the brand name **KAMDHENU PAINTS**
- Own paint factory situated at Chopanki, Rajasthan, **fully functional and operational** post fire incident happened in 2019

**2022**

The Hon'ble NCLT, Chandigarh Bench approved the Scheme of Arrangement on 3<sup>rd</sup> June, 2022.

2022



### 2006

IPO (Listed at NSE and BSE)

### 2008

Forayed into **Decorative Paints Business-COLOUR DREAMZ**

2006-2010

2001-2005

1994-2000

### 2005

- Adopted Modern Technology of **CRM Belgium To Manufacture TMT Steel Bars**
- Innovated **franchisee business association model**

### 1994

Incorporation of **Kamdhenu Ispat Limited**

### 1995

Production of **Steel Bars**

### 2000

Certified for **International quality standards ISO 9001 & BIS 1786:1985**





# Products Portfolio

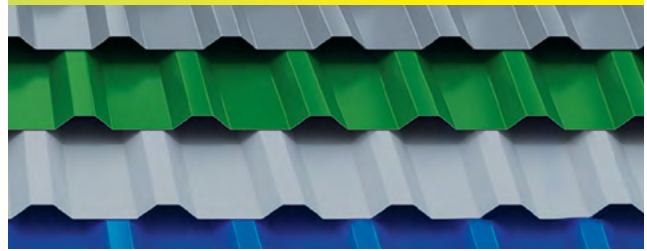
## KAMDHENU NXT TMT

- Next Generation Interlock Steel
- Angular double rib design
- Acquired all the rights to manufacture, market and sell double rib TMT bar



## KAMDHENU COLOUR MAX

- Color Coated profile sheets – versatile color metal products make dream building look stylish and elegant with high durability



## KAMDHENU PAS10000

- Unique Rib design with 360 degree locking.
- Enhanced rust-proof qualities
- Higher weight bearing capacity
- Double earth-quake prevention to the building



## KAMDHENU SHRESTH GC SHEET

- Galvanized Corrugated Sheets (GC SHEETS) Superior quality with uniform zinc coating makes the GC sheet as the product of choice. Environment friendly and aesthetically appealing.



## KAMDHENU STRUCTURAL STEEL

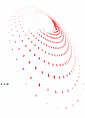
- Produced under franchisee agreement multitude of special contours such as angles, channels, beams, flats, round & square, m.s. pipes with high strength, ductility, superior bend ability and straightness for better fabrication



## KAMDHENU PAINT - COLOUR DREAMZ

- Offers a basket of 40+ SKUs of high end Exterior and Interior Emulsions, Designer Finishes, Stainers, distempers etc.





# Recognitions

**WORLD'S GREATEST BRANDS 2015 AMONGST ASIA & GCC**



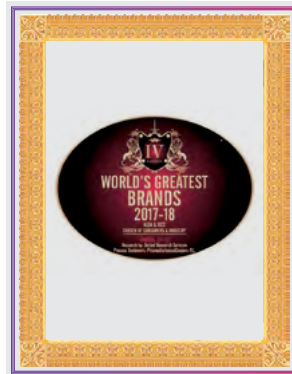
**ASIA'S MOST PROMISING BRAND 2015-16 BY WORLD CONSULTING & RESEARCH CORPORATION**



**INDIAN POWER BRAND 2016 & 2019-20 AWARD**



**WORLD'S GREATEST BRANDS 2017-18 AMONGST ASIA & GCC**

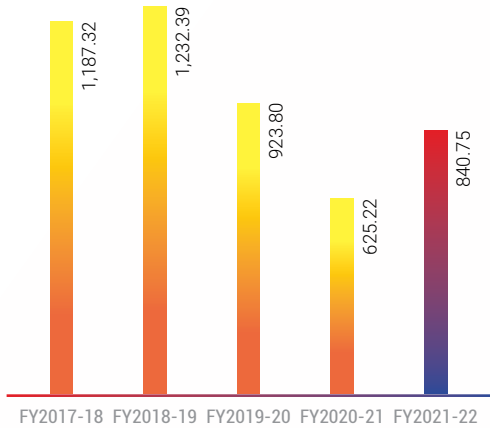


**EXTRAORDINAIRE 2020-22 ICON OF TRUST**

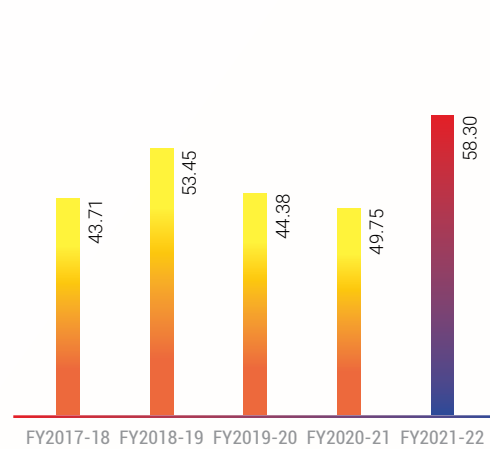


# Key Performance Indicators

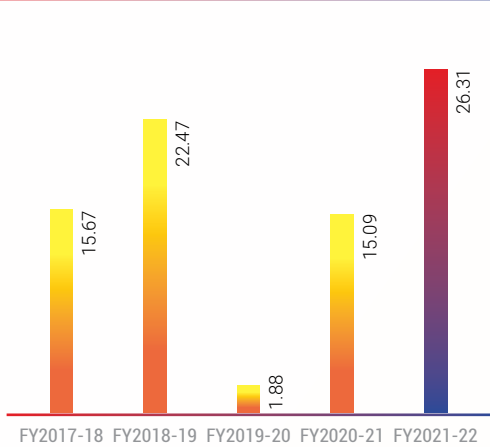
## REVENUE FROM OPERATION (₹ IN CRORES)



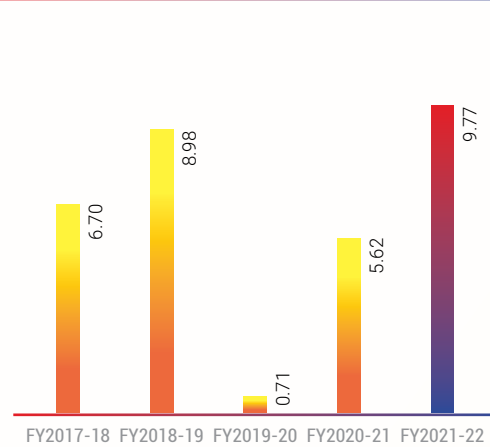
## EBITDA (₹ IN CRORES)



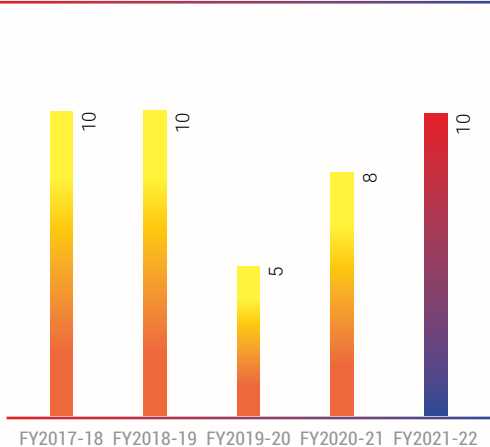
## PAT (₹ IN CRORES)



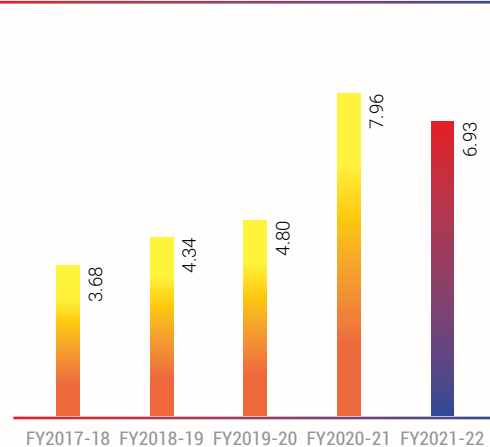
## EARNINGS PER SHARE (EPS) (₹)

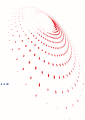


## DIVIDEND SHARE (%)

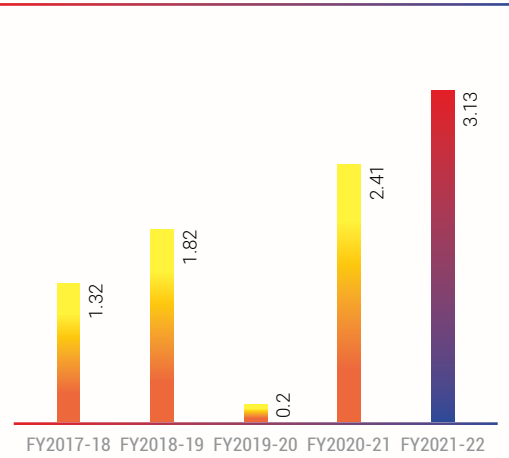


## EBITDA MARGIN (%)

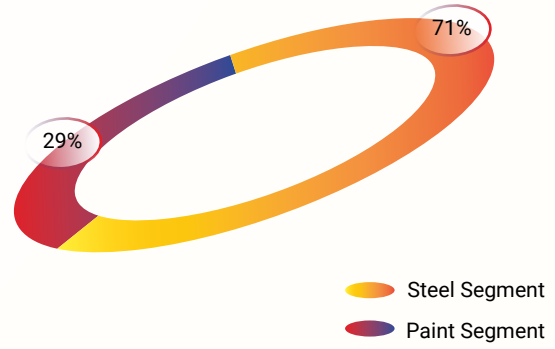




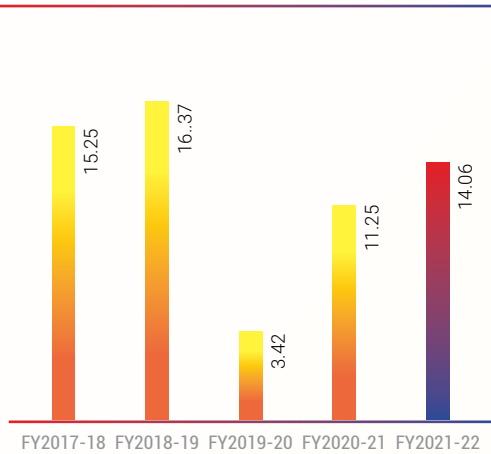
### PAT MARGIN (%)



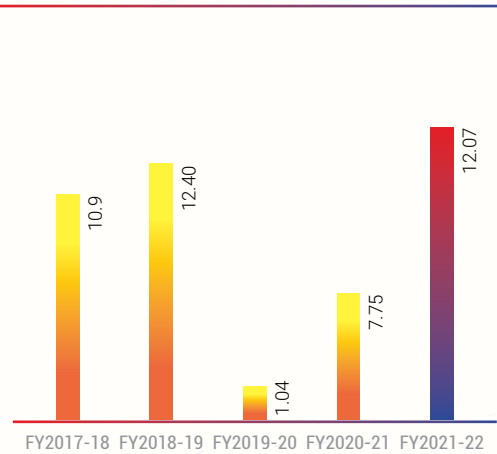
### SEGMENT-WISE REVENUE BREAKUP (%)








### ROCE (%)

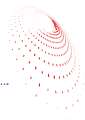


### ROE (%)



# The Next ORBIT: Creating Milkyway




INPUTS		UNIQUE BUSINESS POSITIONING	
<b>FINANCIAL CAPITAL</b> 	Operating working capital Owners funds Debt Total assets Total capital employed Equity capital Capital expenditure	₹ <b>142.07</b> Crores ₹ <b>218.14</b> Crores ₹ <b>87.27</b> Crores ₹ <b>442.37</b> Crores ₹ <b>315.31</b> Crores ₹ <b>26.93</b> Crores ₹ <b>15.50</b> Crores	<b>ASSET LIGHT BUSINESS MODEL:</b> Our business model is based on resource-light cost structure. We differentiated model with own capacity and capacity of the franchisee help us scale efficiently. This ensures maximization of returns with minimal investment.  <b>BRAND RECALL:</b> Wide national outreach, finest quality, extensive marketing has made Kamdhenu a renowned brand. A name which has a strong connect with the institutions and retail alike  <b>QUALITY THAT MATTERS:</b> Kamdhenu is known for consistently delivering superior quality, across product range. Our international certifications across various product categories is a testimony of standards we offer  <b>WELL-CONNECTED:</b> Efforts are concentrated to provide incentives and value-added technical services to our supply chain partners. This enabled us to expand our network and reach remotest areas in the region.  <b>MAXIMISING RETURNS:</b> At Kamdhenu, we take a balanced approach of business aggression with caution. Our focus is concentrated efficient capital allocation and R&D. This has resulted in keeping our borrowings in control despite the scale.  <b>EXPERIENCED MANAGEMENT:</b> The last three decades have enhanced our knowledge, understanding and economic bandwidth. Our team comprises professionals with rich experience and in-depth knowledge in our domain of business. Our promoters guidance and right strategies at the right time has helped to evolve over the years.
<b>MANUFACTURED CAPITAL</b> 	Property, plant and equipment Existing manufacturing locations (Bhiwadi & Chopanki Rajasthan) Annual manufacturing capacity Steel Paint	₹ <b>88.49</b> Crores  <b>2 (TWO)</b>  <b>1,20,000</b> MT <b>30,000</b> MT/KL	
<b>BRAND CAPITAL</b> 	<b>Asset light business model that speaks about brand value</b> Franchisee based model	<b>80+</b>	
<b>STAKEHOLDER CAPITAL</b> 	<b>Our value creation efforts are aimed at our employees, franchisee partners, suppliers, dealer, customers, end users and the communities</b> Permanent employees Contractual employees	<b>897</b> <b>297</b>	
<b>NATURAL AND SOCIAL CAPITAL</b> 	<b>Kamdhenu Limited firmly believes in the co-existence of business and communities and is committed to the development of an eco-system of prosperity in the society around operations</b>		



## OUTPUTS



## SUSTAINABLE DEVELOPMENT GOALS

<p>Market capitalization</p> <p>Return on capital employed</p> <p>Return on equity</p> <p>Sales</p> <p>Ebitda</p> <p>Profit after tax</p> <p>Debt: equity ratio</p> <p>EPS</p>	<p>₹ <b>622</b> Crores</p> <p><b>14.06%</b></p> <p><b>12.07%</b></p> <p>₹ <b>841</b> Crores</p> <p>₹ <b>58</b> Crores</p> <p>₹ <b>26</b> Crores</p> <p><b>0.43</b></p> <p>₹ <b>9.77</b></p>	<p><b>8</b> ECONOMIC GROWTH AND ECONOMIC GROWTH</p> <p></p> <ul style="list-style-type: none"> <li>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</li> </ul> <p><b>9</b> INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> <p></p> <ul style="list-style-type: none"> <li>Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation</li> </ul>
<p>Capacity through franchisee model over the next two years in steel segment</p> <p>Annual capacity owned plant:</p> <p>Steel</p> <p>4% Less weight per meter than normal and 20% more strength of TMT</p> <p>Total number of SKUs (Paint business)</p> <p>Annual capacity owned plant:</p> <p>Paint</p> <p>Product category developed in paint</p>	<p><b>50</b> Lakhs MT</p> <p><b>1,20,000</b> MT</p> <p><b>40+</b></p> <p><b>30,000</b> MT/KL</p> <p><b>10+</b></p>	
<p>Dealers of steel</p> <p>Dealers of paint</p> <p>Registered active painters</p> <p>Number of franchisee employees</p>	<p><b>8000+</b></p> <p><b>4000+</b></p> <p><b>5,000+</b></p> <p><b>15,000+</b></p>	
<p>As a step towards environment stewardship, the Company is consistently manufacturing products which are environment friendly.</p>	<p><b>13</b> CLIMATE ACTION</p> <p></p> <ul style="list-style-type: none"> <li>Taking various urgent action to combat climate change and its impacts</li> </ul>	



# Chairman and Managing Director's Communique



## Dear Shareholders,

We, at Kamdhenu Limited make persistent efforts to provide you with the best quality products. Integrity and perseverance are at the center of everything we do. We are focused on improving our cost efficiencies and are conscious of product development. We are also looking to penetrate further into markets where our presence is less and strengthen our footprints in existing geographies. With our strong brand, large distribution network and huge product portfolio in both paints and steel business, we are well poised to grow faster in the coming decades and create value for all our stakeholders.

## The ebbs and flows

The year 2021 has been a combination of ebbs and flows. As the economy was painstakingly recouping from the

setbacks of Covid19 in the first half of the year, its progress was again marred by the second and third waves of the pandemic. Nonetheless as they say the show must go on and businesses across the nations started resuming in full force adapting to the new normal mindset. The global economy echoed a GDP growth of 6.1% in 2021 from a contraction on 3.6% in 2022, with the US and UK have seen unprecedented growth after decades.

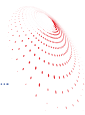
The Indian economy does not remain behind in the post-Covid revival phase. In the first three quarters of FY 2022, India's economy had grown 20.3%, 8.5% and 5.4%. For the full fiscal year GDP rose to 8.7%, making India the fastest growing major economy.

As the nations across the globe were making headway there were new obstructions in the form of the geopolitical tensions as the Russian troupes invaded the Ukrainian borders. This was accompanied by soaring oil prices, rising inflation which have yet again tested the resilience of the Central Banks of the world.

The Company continued to maintain its growth momentum despite temporary restrictions witnessed during the second wave. With quicker easing of restrictions, the operations resumed to the normal level. Large scale rollout of vaccination across the country, improved economic sentiments, led to a conducive operational environment. We have delivered strong performance in both Paint and Steel business on the back of revival in demand and favorable macroeconomic scenario. Our capacity utilization at both Bhiwadi and Chopanki witnessed strong improvements. We continued to generate pan-India visibility through aggressive spends on advertising and promotions.

## Striding to the next level

According to data published by ibef.org, India's finished steel consumption is anticipated to increase to 230 MT by FY 2030-31 from 86.03 MT in FY 2021-22 (till January). Moreover, the data also mentioned that as of October 2021, India was the world's second-largest producer of crude steel, with an output of 9.8 MT. Furthermore, the industry is witnessing consolidation of players, which



has led to investment by entities from other sectors. The ongoing consolidation presents an opportunity to global players to enter the Indian market.

The World Steel Association considers that global steel demand in 2022 will grow by 2.2% over 2021 levels (from ~1,855 million tonnes in 2021, to ~1,896 million tonnes in 2022). This is equivalent to a 2022 increase in steel consumption of ~41 million tones.

With the wide portfolio of products from TMT bars, structural steel, and color-coated profile sheets, we are well established to cater to any demand going ahead. We further plan to expand our franchise and dealers network and also enhance the steel TMT capacity by increasing annual production capacity from ₹ 38 Lakhs MT to 50 Lakhs MT through franchisee route over the next two years.

As per the report "India Paint Industry Outlook 2022", that provides a study of Indian paints industry by value and volume, the Indian Paint Industry was expected to grow at a CAGR of around 8.6% during FY 2018-19 to FY 2021-22 in value terms.

Demand for decorative paints has been witnessing strong traction over past few quarters and we expect this momentum to continue on the back of shortening of repainting cycle, housing demand and consumer preference to build pucca houses. 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+ in the paints business. Branding and marketing are a constant activity at Kamdhenu. Our collaboration with celebrities yet again emphasizes on our superior quality products and offerings.



**With the wide portfolio of products from TMT bars, structural steel, and color-coated profile sheets, we are well established to cater to any demand going ahead. We further plan to expand our franchise and dealers network and also enhance the steel TMT capacity by increasing annual production capacity from 38 Lakhs MT to 50 Lakhs MT through franchisee route over the next two years.**

The Company undertook a digital marketing campaign to enable people to make the right choice with our premium product, Kamodual luxury. Various social media campaigns were organized to educate consumers about benefit of the Company's products and also to push purchases for the festive season.

### **Consistently creating value for Stakeholders**

The Company has always believed that creating value for shareholders is of utmost importance. We owe a lot of our success to our shareholders and their immense support.

With Government's impetus for infrastructure creation and pick-up in real estate projects, we expect increase in demand for both steel and paint products, going ahead.

We command a dominant market share in the organized retail segment of steel and paint industry. With our strong brand, new product categories in decorative paints, marketing and distribution network and unique asset light model, we are well placed to deliver value-centric growth for our stakeholders.

During the year, the Company has recommended a final dividend of ₹ 1 per equity share (10% of FV) for FY 2021-22. With all our achievements, small and big, we promise to keep creating value for shareholders so that we can all grow fruitfully and step by step.



## **Of the People, For the People, By the People**

The Company lays extreme emphasis on its people and honestly acknowledges their dedication and efforts towards the Company. At Kamdhenu, we believe that our employees are our biggest asset and thus, for the safety and well-being of employees, the Company takes immense measures. Taking that point into account, our Company created awareness about the importance getting vaccinated. Our Company also tied-up with hospitals for vaccination of 1,000+ employees, including contractual employees. The Company undertook thermal screening of employees at both the plants, registered office and regional offices on daily basis to ensure safety of the employees. Various other measures like employee training, team meetings and employee education were undertaken during the year to enhance the effectiveness and efficiency of the employees.



**The Company lays extreme emphasis on its people and honestly acknowledges their dedication and efforts towards the Company. At Kamdhenu, we believe that our employees are our biggest asset and thus, for the safety and well-being of employees, the Company takes immense measures.**

## **Nurturing Social Responsibility and Strong Governance**

As a responsible organization, the Company abides by a robust governance framework as well as ensures that various internal systems are adequate and in check. The Company's policy on strong governance is backed by principles of full disclosure, fairness, equity, transparency, and accountability in various aspects of its functioning, leading to the protection of stakeholders' interest and an enduring relationship with them. Moreover, the Company

sets goals in a manner which are aligned with various corporate social responsibility objectives like being climate-conscious, saving electricity and reaching a balance that integrates human, environmental and community resources. The Company has embedded CSR activities in its culture in a very fair manner and participates proactively in CSR initiatives in order to contribute continuously to global sustainable development efforts.

## **Poised for Growth**

We have an increased focus on own manufacturing & franchisee business along with a recouped business strategy of reducing B2B Trading Sales which leads to lower working capital hereby enhancing capital efficiencies. Moreover, the Company has also experienced improved return ratios and has been able to innovate newer products and ultimately gain market share.

We command a dominant market share in the organized retail segment of steel and paint industry. With our strong brand, new product categories in decorative paints, marketing and distribution network and unique asset light model, we are well placed to capture any opportunities in future. We aspire to align our brands as brands of people's choice and increase our brand turnover to ₹ 22,000 Crores by FY 2023-24.

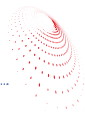
As we finish this period with a strong set of results, I would like to take this opportunity to thank all our colleagues once again. Kamdhenu's resilience in these challenging times is a testament to their dedication and commitment. I would also like to thank my fellow Directors for their valuable guidance and support to the business. Finally, let me close by thanking all our shareholders, investors, business associates and consumers for the trust and confidence they have placed upon us. I look forward to your support in our endeavor to continue delivering value for all our stakeholders over the coming years.

Best Wishes,

Sincerely,

**Satish Kumar Agarwal**

Chairman & Managing Director



# CFO's Message



**Our focus continues to penetrate into existing markets, explore new markets and expand the dealer network in tier three and tier four cities. Our strategy remains on manufacture and sales of premium paint products and reduction in manufacturing of commoditised products. In order to achieve this goal, we are outsourcing our low value products to contract manufacturers adhering to the stringent quality standards.**

## Dear Shareholders,

It gives me an immense pleasure to write my first letter to you and at the outset I would like to express gratitude to each one who has stood by us through the thick and thin, especially during the pandemic days. The year gone-by continued to test our resilience and we are happy to say that we resurged and navigated through the crisis successfully. Today, Kamdhenu continues to expand, excel, and generate shared value for all its stakeholders.

## Our performance and the next leap

The year witnessed increased construction activities and high spend in home refurbishment resulting in buoyant demand. Despite the challenging environment, our Company reported a Net Turnover of ₹ 84,076 Lakhs and Profit After Tax of ₹ 2,631.89 Lakhs, registering a growth of 34% and 74% on year-on-year basis, respectively. The Earnings Per Share (EPS) of the Company also stood at ₹ 9.77 per share. Cash flow from operations stood at ₹ 4,365.86 Lakhs. The Board of Directors has recommended the final dividend of ₹ 1 per share that is 10% of the face value for the financial year FY 2021-2022.

Before I share the finer details of our performance, I would like to share that the Honorable NCLT has approved the Scheme of Arrangements including the demerger of the paint business of the Company. The strategy behind our demerger is to unlock stakeholder value, strengthen skills, and build future-focused businesses to help us to achieve our next growth trajectory.

In the Paints business, we have achieved revenue growth of 19% in FY 2021-22 which stood at ₹ 24,145 Lakhs. Demand for our products have remained strong driven by festive season and prolonged wedding season in India during the later half of 2021. Additionally, our facility at Chopkani was fully operational and it enabled us to manufacture premium products in-house only. While the inflationary trend continued for raw material prices, the Company passed on the same to the customers. During the year, we implemented a price hike of 8% to 10%.



Our focus continues to penetrate into existing markets, explore new markets and expand the dealer network in tier three and tier four cities. Our strategy remains on manufacture and sales of premium paint products and reduction in manufacturing of commoditised products. In order to achieve this goal, we are outsourcing our low value products to contract manufacturers adhering to the stringent quality standards. As step towards environment stewardship, we are consistently manufacturing products which are environment-friendly. With respect to the fire incident at our paint facility that happened in April, 2019, we have received ₹ 25.65 Crores towards the insurance claim.

In our steel segment, we have clocked a revenue growth of 41% to ₹ 59,931 Lakhs in FY 2021-22. However, during the third quarter, our volumes were impacted owing to the temporary slowdown in operations at our own manufacturing plant in Bhiwadi due to restrictions imposed by National Green Tribunal (NGT) in Delhi & NCR region. During the year, we have also realigned our manufacturing capacity to support future innovation, development of new product and for training of franchise staff.

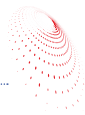
With operations back to normal and speeding up of construction and infrastructure activities, we expect good demand momentum ahead. Industry demand for quality TMT bars from housing sector in India is growing at exceptional rate. Our presence and brand recall in the market with 38 Lakh metric tonne capacity through franchise model places us in a sweet spot. We have been concentrating on expanding our TMT steel capacity through the franchise method. In FY 2022, we expanded the number of franchise units to 81. With the current demand, we expect to achieve a brand sales turnover of ₹ 22,000 Crores by FY 2024.

Going forward we can confidently say that our industry and our Company will see a brighter future as infrastructure

plays a crucial role in shaping the future. We will continue to focus on innovation and technology from a sustainability viewpoint contributing to the establishment of a national circular economy.

Best Regards,

**Harish Kumar Agarwal**  
Chief Financial Officer



# The Next ORBIT

Stride to the Next Level,  
Becoming an Exoplanet



We are looking towards expansion to propel further growth. Our right operating structure and resource light business model will enable us to enhance business efficiencies.

### Why expand?

Our scale would help us capitalize on the growth opportunities

- India's real estate sector is likely to touch US\$ 1 trillion by 2030
- Demand for affordable housing is pegged at 11.2 million house
- ₹ 48,000 Crores budget outlay for PMAY
- Housing demand fuelling in Tier I and Tier II cities
- Bharat Mala projects are likely to spruce up the demand for the construction material

### Our relentless pursuit

New growth trajectories keep us on our toes to meet the growing demand. It broadens our pursuit for excellence and helps us consistently expand the scale of our operations.

At Kamdhenu, our endeavor is to maximize the returns of our stakeholders and continue the momentum.

We plan to enhance our steel TMT bars capacity through the franchisee route from 38 Lakhs metric tonnes per annum to 50 Lakhs metric tonnes per annum over the next two years.

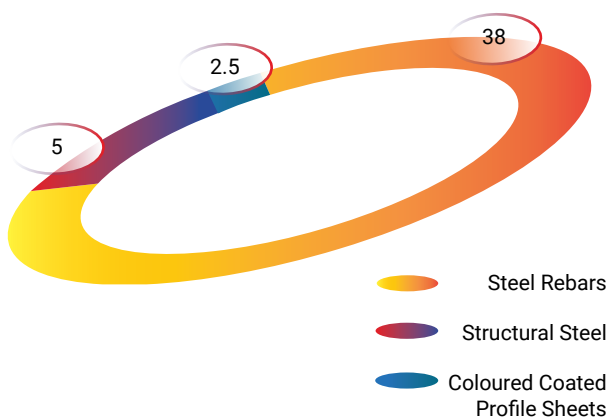
### How do we do it?

We are the first to introduce the franchisee model, we collaborate with these channel partners or Franchisee partners to penetrate deeper into the regional markets.

### Current Capacity

#### PRODUCTION CAPACITY

(₹ IN LAKHS MT PER ANNUM)



80+

Franchisees

12,000+

Steel & Paint Dealers

250

Distributors



## How does it work?

- A franchisee is selected which meets the minimum production capacity limit of 1 Lakh MTPA with a sound financial and governance standards
- A technical survey is conducted to review and assess the capabilities of the franchisee plant and competencies of the resources
- An exclusive definitive agreement is signed to bring the franchisee under the umbrella of the Kamdhenu brand. The partner manufactures based on the technology and strict quality parameters set by the Company.
- Appoint and depute own technical staff on the partner premises for further training to the partner human resource team
- The products are then sold to various distributor/ dealer partner appointed by the Company for further sale to the institutional/retail customers
- Kamdhenu earns royalty through the sale of products manufactured by Franchisee Business Partner

## Creating value for the Franchise Business Partners



### Expertise & Experience

Franchisee leverage our expertise and experience and builds efficient and economical business models.



### Ready Marketplace

Marketing initiatives undertaken by Kamdhenu gives the franchisee a ready to sell platform without incurring any expenses on the brand building exercise.



### Skill Upgradation

Kamdhenu imparts technical training to the human resources at its facility. The Company ensures

quality at par with global standards and accordingly imparts training to the people and enhances their potential and uplifts their skillset.



### Brand Leverage

Kamdhenu has established its brand over last three decades building trust and transparency with its customers. The franchisee partners can readily leverage this brand and sell their products.



### Easy financing

Being associated with Kamdhenu helps franchisees get quick and hassle-free loans for the business.



### Well-tested operation

Our experience, strong R&D and brand positioning helps franchisee to simply scale up capacities without investing time on innovation, R&D. They can scale production basis the market demand achieve high capacity utilization.

# 48%

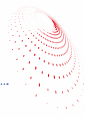
Growth in turnover from brand sales over the last 3 years

# ₹16,000+ CRORES

Revenues from brand FY 2021-22 including franchise sales turnover

# ₹92 CRORES

Revenue from royalty in FY 2021-22



## Kamdhenu - Always delivered more than Expected



### Communication:

We have always worked with a local manufacturer for better understanding of the specifics and preferences of the products by the Customer.

Customer Need/Easy availability of Product in less time: Since inception our main focus is to fulfil the customer needs. Even dealer smaller quantity of our orders were delivered efficiently. This will help us penetrate in the smaller Tier II & III cities of the Country.



### Quick Turn-Around Times :

Turnover time for manufacturing is faster with diversified manufacturers. The demand is accurately predicted based on trends, and the deliveries are planned accordingly.



### Savings on transportation costs :

Saving in freight and transportation cost is reduced to a large extent with manufacturing near to the end- customer.



### Efficient handling of large volumes:

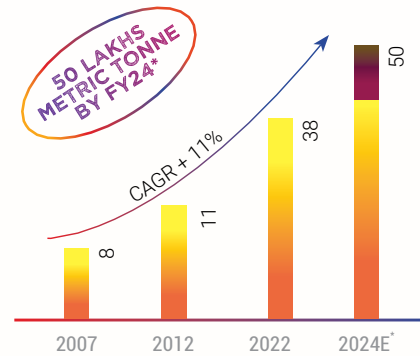
When demand is high-units can be easily scaled up without further investments.



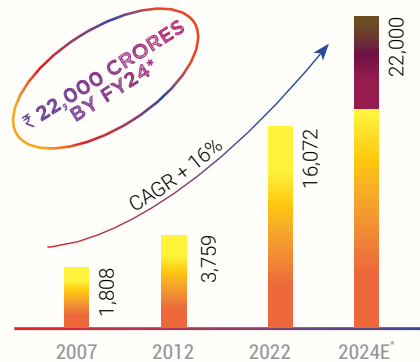
### Focus on innovation:

The Company will be able to focus more on new and innovative production as large part of production will be taken by the business partners.

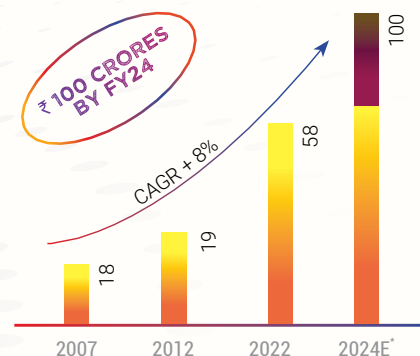
## INCREASE IN CAPACITY (MTPA)



## INCREASED IN EBITDA (₹ IN CRORES)



## INCREASE IN EBITDA (₹ IN CRORES)



# Our Products.

## 1. Steel Rebars

### a) KAMDHENU NXT



Kamdhenu NXT undergoes a rigorous process in order to become the best double rib TMT bar of the next generation. The strength of this ground-breaking product is carefully

managed by adjusting the water pressure for its core and surface, resulting in maximum strength, ductility, and resilience. Quenching, tempering, and chilling are the three steps in the production of this interlock steel.

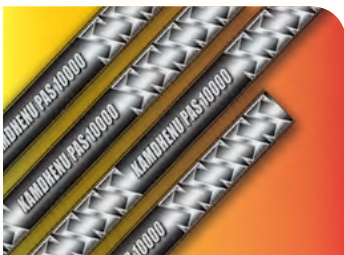
#### USP

- Stronger interlock bond
- Advanced earthquake resistance
- Superior thermal resistance
- Corrosion resistance
- High-ductile strength
- Compatible with skyline structures
- Extremely economical

#### Applications

Widely used in concrete reinforcement structures like bridges, flyovers, dams, thermal and hydel plants, industrial towers, skyline buildings, underground platforms and more.

### b) KAMDHENU PAS10000



We are the first Company to introduce PAS10000, a cutting-edge power alloy steel. It complies with BIS and international quality requirements. When compared to typical mild steel TMT

bar, the use of alloy gives it product distinction. PAS10000 has a 28 percent higher load-bearing capacity than normal steel. In comparison to normal TMT, this results in a 5% improvement in life. It's also equipped with 360-degree locking technology for optimal stability.

#### USP

- Superior strength
- Improved elongation
- Increased ductility
- Corrosion resistant
- Anti-degradation properties
- Higher-strength
- Earthquake resistant
- More strength to sustain fire
- High load resistant
- Superior weldability

#### Applications

Largely used in construction industry due to its unique features

## 2. Kamdhenu Structural Steel



Structural steel is composed of 88 percent cast-off material that meets chemical composition specifications. It's 100% recyclable and can be changed into anything you

choose. Under a franchisee agreement, Kamdhenu Structural Steel manufactures a wide range of particular shapes, including angles, channels, beams, flats, round, and square, m.s. pipes.

#### USP

- Sustainable and recyclable
- Economical compared to other building materials
- Better ductile strength, superior elasticity, weldability and firmness for better fabrication
- Easy to join metals together
- Outstanding strength-to-weight ratio and consumes less steel
- Pan-India availability

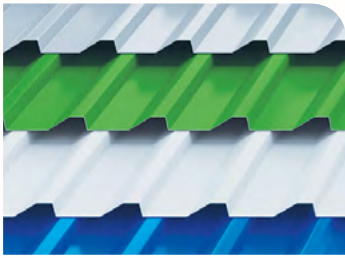
#### Applications

It serves as a supporting individual in both small and large structures. Flyovers, bridges, dams, transmission line towers, subway platforms, and other reinforcing constructions across the country.



### 3. Kamdhenu Colour Coated Profile Sheets

#### a) KAMDHENU COLOR MAX



The raw materials used have remarkable features that serve to increase the finished product's

durability and endurance. High-rib profile sheets, tile profile sheets, and corrugated sheets in a variety of colours are among our products.

#### USP

- Weather-resistant
- Leakage-proof
- Light-weight
- Good strength
- Attractive in appearance
- Easy to install
- Excellent durability and adherence

#### Applications

It is broadly used for roofing and cladding at home, factories and warehouse.

#### b) KAMDHENU SHRESTH GALVANIZED CORRUGATED SHEETS (GC SHEETS)

This is a pioneer product of Kamdhenu Group. The sacrificial property of the zinc coating helps the product to last longer & it is also economic in nature. Hence, they are the most preferred choices for use in buildings & housing projects. The sheets are uniformly coated with zinc and passes through



stringent quality test confirming to various requirements. Kamdhenu Steel is the seal of trust & confidence across the country. Kamdhenu GC Sheets are best suited & optimal for Indian condition. It is environmental friendly & offers good aesthetic appeal & unrivaled flexibility for future expansion plans.

#### USP

- Light-weight and high-strength
- Uniform zinc coating
- Withstand in all weather conditions
- Higher corrugation depth for better drainage
- Environment friendly

#### Applications

- |                    |                        |
|--------------------|------------------------|
| • Factories        | • Service stations     |
| • Workshops        | • Transport terminals  |
| • Warehouses       | • Hangars              |
| • Showrooms        | • Parking lots         |
| • Exhibition halls | • Site-housing         |
| • Auditoriums      | • Rai yards            |
| • Convention halls | • Cold stores          |
| • Food courts      | • Distribution centers |

### 4. Kamdhenu Paints - Colour Dreamz



In 2008, the Company entered the decorative paints business and has since grown to become most popular company in its segment. With quality and finesse

in every brush stroke, Kamdhenu Paints has become synonymous with perfection and a household name in every corner of India. With a diverse range of paints under its belt, the Company is a one-stop shop for any consumer. Kamdhenu Paints has made all of their paint products eco-friendly, ensuring that nature's beauty is preserved.



# The Next ORBIT • towards a Colourful Hyper-Galaxy and Brighter Tomorrow

Customer aspirations are evolving at a rapid speed. To meet the ever-evolving changing requirements, a customer-centric brand like Kamdhenu believes in constant innovation. We have always strived to deliver products as per the changing lifestyle of the customers. This has not only helped us grow but also be one of the reputed names in Tier I and Tier II and the underserved markets. From 2009 to 2022, our revenue growth from the paints segment has grown over six fold.



## Painting the Journey

**~15 YEARS**

of experience in manufacturing decorative premium paints

**~30,000 MT/KL**

of installed capacity

**10+**

product categories

**40+**

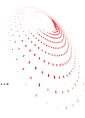
SKUs

**33+**

sales depots

### Robust Tinting Infrastructure

- 1,600+ tinting machines installed at dealer outlets to make wide range of shades by mixing Colorant from Computerized tinting machine with the paint bases
- 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



**Approximately, 70% of India's urban population resides in Tier II & III cities, where majority of Kamdhenu Paints' customer base is present. The Company has the following offerings at present in the paints segment**

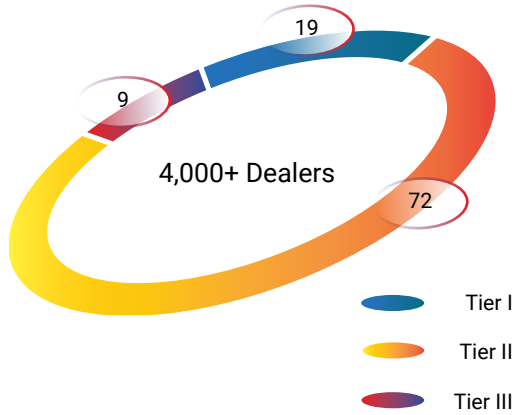
- 🌟 Exterior & Interior Emulsions
- 🌟 Water-based Primers
- 🌟 Wood Finishes
- 🌟 Aluminium Paints
- 🌟 Textured & Designer Paints

## Focus Ahead: a Ride Light Years Ahead

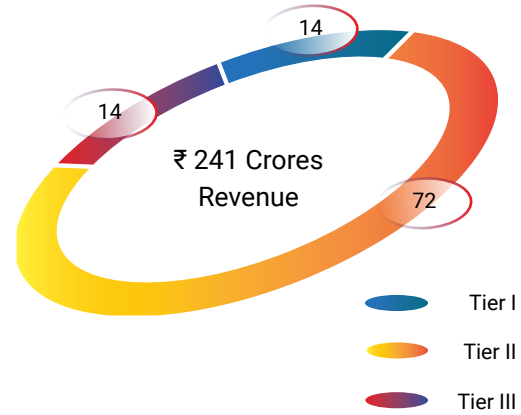
- 🌟 **Premiumization:** We are consistently focusing on premiumization of our portfolio, through capacity enhancement of our own production plant at Chopanki, Rajasthan, is re-aligned for manufacturing of Premium and Texture Paint Products
- 🌟 **Solvent-based products:** At Kamdhenu, we have been focusing more on water-based products to avoid pressure of rise in crude prices. Currently, 80% of our paints are water-based and we plan to increase this share going ahead.
- 🌟 **Strengthening dealer network:** We emphasize strong relations with dealers.
  - We have been offering various performance-linked incentives like gift vouchers, coupons
- Best-in-class dealer margins on of paints products
- Organizing annual awards program to appreciate and encourage healthy competition amongst the dealers (Target Ka Badshah)
- Company-sponsored trips to domestic and overseas tourist circuits
- Invitation for the Company's cultural events, get-togethers and other events
- 🌟 **Leverage the existing networks:** We leverage the Group's deep networks through the steel business to attract professional and loyal dealers and painters in these towns, creating a niche market for itself
- 🌟 **Entry and establishment in new markets:** Our strategies are focused in the smaller Indian towns identifying an underserved gap in the paint industry
- 🌟 **Pan-India presence:** Expand pan-India visibility through
  - Aggressive advertisement and marketing
  - Catering to the South India's market through tie-up with contract manufacturer
  - Targeting urban markets through institutional sales
- 🌟 **Outlook:** We ensure utilization of the existing capacity coupled with a strong distribution network is likely to result in improved market shared. We aim to achieve topline of ₹ 1,000 Crores by 2026



### DEALER SPLIT (FY 2021-22) (%)



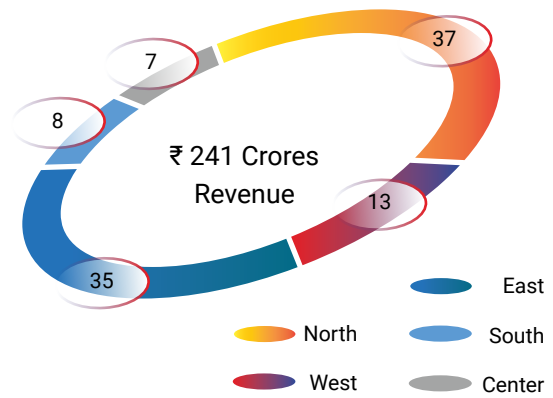
### REVENUE SPLIT (FY 2021-22) (%)



### DEALER SPLIT (FY 2021-22) (%)



### REVENUE SPLIT (FY 2021-22) (%)



### PRODUCT (FY 2021-22) (%)





INTRODUCING SUPERIOR RANGE OF

# INTERIOR EMULSION



High Sheen



Luxurious Smooth Finish



Low VOC & No Odour



Stain Resistant



Anti-Fungal

TOLL FREE: 1800 1800 545

[www.kamdhenupaints.com](http://www.kamdhenupaints.com)

Join us at:



# The Next **ORBIT: Unleash Potential**



**In our value creation journey the board has proposed demerger of Kamdhenu's two business verticals to enhance focus. The objective of the demerger is to unlock value, ensure sharper focus and for better align to customers.**

## **Scheme of Arrangement:**

The draft scheme of arrangement including the demerger of paints business in a separate company has been filed with the Hon'ble National Company Law Tribunal, Chandigarh Bench, for its approval on 18<sup>th</sup> March, 2021. Whereas NSE and BSE have issued its observation letter on the

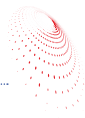
scheme of arrangement on 28<sup>th</sup> September, 2020.

NCLT has accepted the Second Motion petition on 16<sup>th</sup> December, 2021 and fixed 22<sup>nd</sup> March, 2022 for the consideration of the final approval of the Scheme of Arrangement.

This date has been further extended to 22<sup>nd</sup> April, 2022.

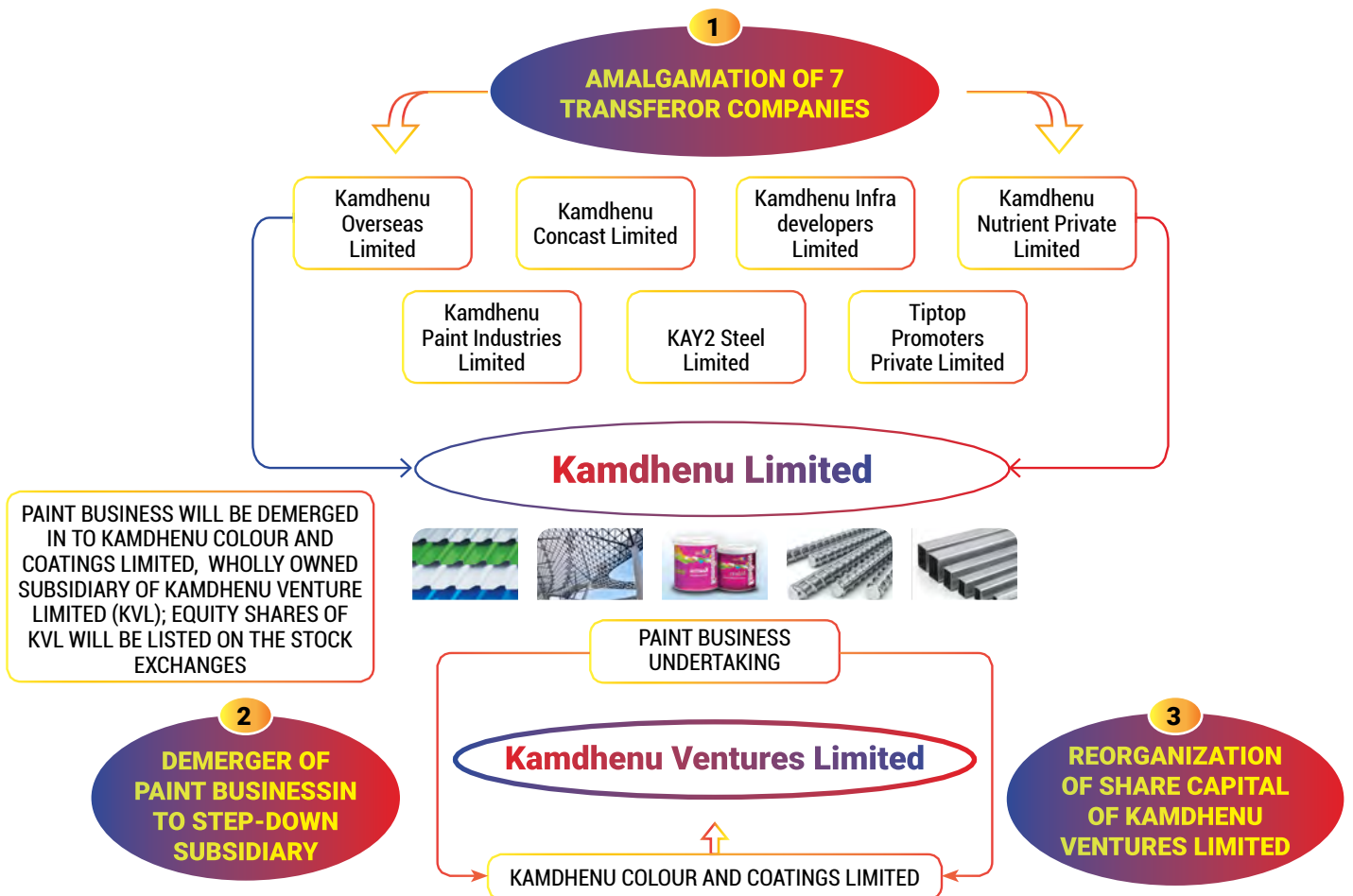
On 22<sup>nd</sup> April, 2022, the Hon'ble NCLT has reserved the order and on 3<sup>rd</sup> June, 2022, approved the scheme of arrangements.





### Benefits of demerger:

- Simplify the corporate structure
- Empower both the entities to be future focused
- Enable both the companies to pursue growth strategy creating an individual identity across both the domains
- Enable to attract funds, invite strategic partners
- Attract specialised and skilled talent as per the domain requirement
- Enhance operational efficiencies
- Strengthen and consolidate capacities and capabilities and prepare for the next leg of growth
- Will lead to maximization of resources
- Improve the working capital cycle
- Ease administrative expenses
- Remove multiple layers of the holding companies in tune with the Government policy
- Significant reduction in multiplicity of legal and regulatory compliances which at present is required to be made separately by the Transferor Companies and the Transferee Company
- Provide maximum shareholder wealth creation



# The Next ORBIT • Striding to the Next Level through Brand Visibility



**At Kamdhenu, we have always focused on maintaining customers' trust and loyalty towards our brands. Our efforts are concentrated towards marketing and promotion campaigns to strengthen our presence. We are creating higher brand awareness through concentrated and all-around marketing initiatives.**

We have roped in ace Bollywood actress Preity G Zinta as Brand Ambassador for decorative paints business under the brand name KAMDHENU PAINTS. This collaboration will help enhance the brand's pan-India reach and recall, helping catapult the brand as the preferred consumer choice.

We are undertaking several other brand building initiatives through celebrity affiliations, brand promotions, event participations which would help strengthen emotional connect with dealers and relation with customers.

**₹ 52 CRORES**

Brand expenses in FY 2020-21

**₹ 59 CRORES**

Brand expenses in FY 2021-22

**KAMDHENU PAINTS**  
 INTRODUCING SUPERIOR RANGE OF  
**EXTERIOR EMULSION**

₹ 1800  
**Kamdhenу Kamo Shield**  
 WATER RESISTANT

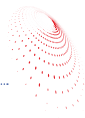
₹ 1800  
**Kamdhenу WEATHER SUPREME**  
 WATER RESISTANT

₹ 1800  
**Kamdhenу WEATHER CLASSIC MAX**  
 WATER RESISTANT

₹ 1800  
**Kamdhenу WEATHER CLASSIC**  
 WATER RESISTANT

TOLL FREE: 1800 1800 545  
[www.kamdhenupaints.com](http://www.kamdhenupaints.com)

ANTI DIRT WATER RESISTANT ANTI FADING ANTI FUNGAL ALGAE RESISTANT



# Glimpses of Channel Partner Meet Goa, 2022





# The Next **ORBIT: People Excellence**

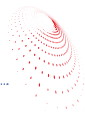


**At Kamdhenu the center of our organization remains our people who drives the excellence and nurtures the future. Collective intelligence of our diverse people have helped us evolve and be at the forefront all these years.**

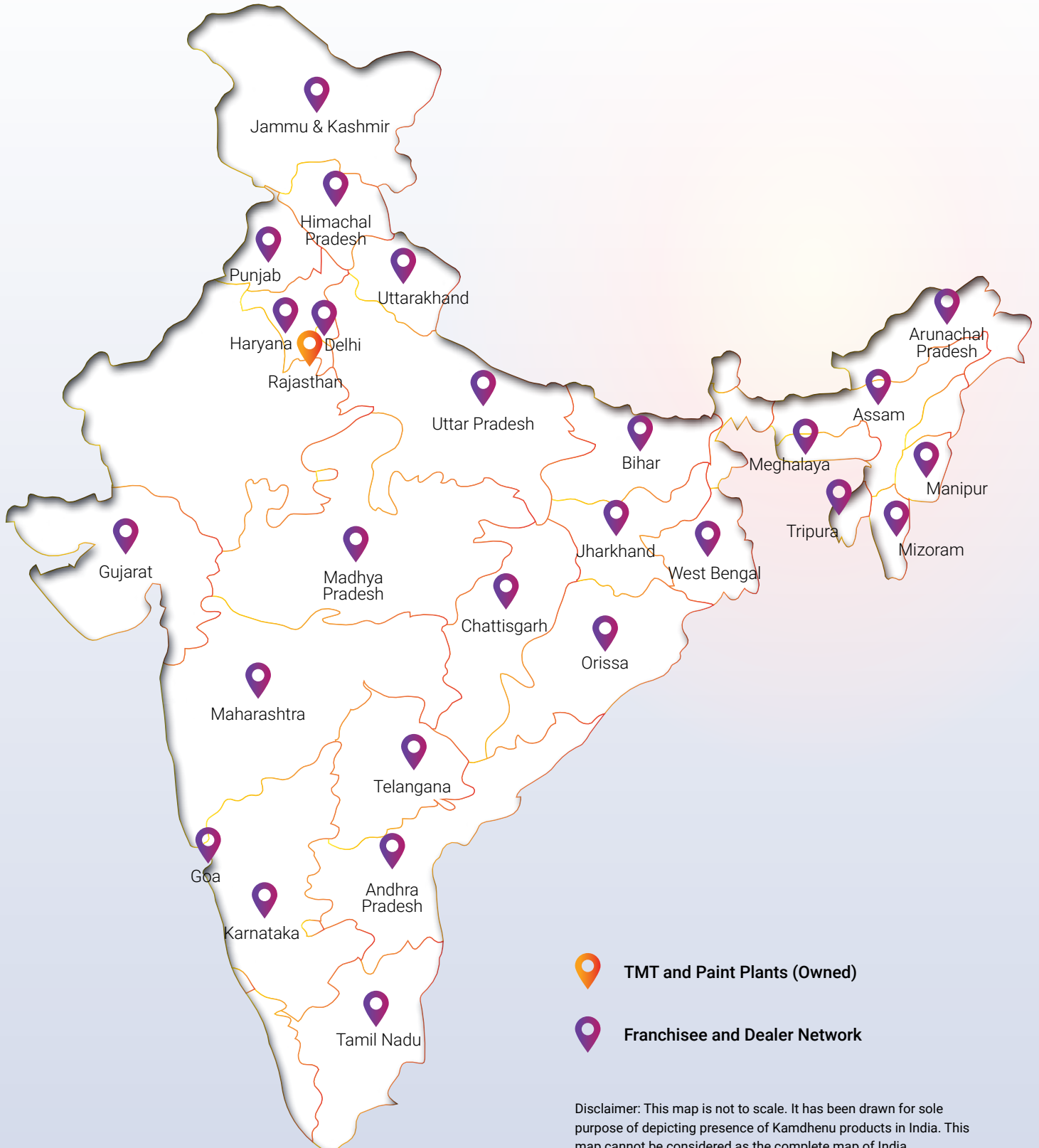
## **Our team values**

- Teamwork to enable people to leverage each other's strength and overcome shortcomings
- Recognize and reward team performance to boost confidence
- Create a culture of trust, transparency and openness
- Sharing knowledge across the organization and help evolve each other
- Nurturing skills beyond professional work





# Widening the Reach



# Corporate Information

## BOARD OF DIRECTORS



**Shri Satish Kumar Agarwal**  
Chairman & Managing Director



**Shri Ramesh Chand Surana**  
Independent Director



**Shri Sunil Kumar Agarwal**  
Whole-Time Director



**Shri Ramesh Chandra Jain**  
Independent Director



**Shri Saurabh Agarwal**  
Non-Executive Director



**Shri Madhusudan Agarwal**  
Independent Director



**Shri Sachin Agarwal**  
Whole-Time Director



**Smt Pravin Tripathi**  
Independent Woman Director

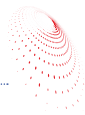
## KEY MANAGERIAL PERSONNEL



**Shri Harish Kumar Agarwal**  
Chief Financial Officer



**Shri Khem Chand**  
Company Secretary &  
Compliance Officer



## AUDIT COMMITTEE

**Shri Madhusudan Agarwal**

Chairman

**Shri Sunil Kumar Agarwal**

Member

**Shri Ramesh Chand Surana**

Member

**Shri Ramesh Chandra Jain**

Member

## STAKEHOLDERS RELATIONSHIP COMMITTEE

**Shri Ramesh Chand Surana**

Chairman

**Shri Saurabh Agarwal**

Member

**Smt Pravin Tripathi**

Member

## NOMINATION & REMUNERATION COMMITTEE

**Shri Ramesh Chand Surana**

Chairman

**Shri Madhusudan Agarwal**

Member

**Shri Ramesh Chandra Jain**

Member

**Smt Pravin Tripathi**

Member

## RISK MANAGEMENT COMMITTEE

**Shri Satish Kumar Agarwal**

Chairman

**Shri Sunil Kumar Agarwal**

Member

**Shri Ramesh Chand Surana**

Member

**Shri Ramesh Chandra Jain**

Member

**Shri Harish Kumar Agarwal, Chief Financial Officer**

Member

**Shri Vineet Agarwal, General Manager (Finance)**

Member

## CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

**Shri Satish Kumar Agarwal**

Chairman

**Shri Sunil Kumar Agarwal**

Member

**Smt Pravin Tripathi**

Member

## REGISTERED OFFICE

CIN: L27101HR1994PLC092205

2<sup>nd</sup> Floor, Tower - A, Building No. 9,

DLF Cyber City, Phase-III,

Gurgaon - 122002, Haryana

Telephone: +91-124-4604500

Email: kamdhenu@kamdhenulimited.com

## WORKS

**Steel:** A-1112 & A-1114, RIICO Industrial Area, Phase-III, Bhiwadi, Alwar, Rajasthan - 301019, India

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

## BANKERS

State Bank of India

Indian Bank

## REGISTRAR AND SHARE TRANSFER AGENT

KFin Technologies Ltd.

Karvy Selenium, Tower - B, Plot No. 31 & 32

Financial district, Nanakramguda, Serilingampally

Mandal, Hyderabad, Telangana - 500032, India

Telephone: +91-40-6716 2222/7961 1000

Email: einward.ris@KFintech.com



# Management Discussion and Analysis

## BUILDING A SUSTAINABLE ENTERPRISE

Setting new benchmarks in sustainability by focusing on the vision of being one of the emerging competitive and sustainable companies in India. Kamdhenu is focusing on setting up a new benchmark across sustainability parameters in the country's steel sector.

The Company strives to outperform industrial benchmarks across sustainability parameters in the Steel industry. Driven by relentless endeavours towards retaining a strong market position. Kamdhenu has taken a stride towards strengthening climate change adaptability by launching the 'Green India Initiative'.

## AUGMENTING CAPACITY

The rebound in automotive, machinery, construction and infrastructure Sectors' demand after a prolonged period of sluggishness driving the Indian Steel Industry towards a strong V-Shaped recovery. The Government's push toward infrastructure creation is leading to further increase in domestic demand. for steel. To capitalise on market opportunities and for an overall strengthened position, Kamdhenu aims at increasing its production capacity of TMT steel bars from 38 lakhs metric tonnes to 50 lakhs metric tonnes by FY 2023-24 through franchisee route. Thereby, enabling itself to develop a robust brand turnover of ₹ 22,000 Crores by FY 2023-24.

## STEPPING UP INNOVATION

Through multi-pronged initiatives, the Company is enhancing its capabilities by adapting the Technology - converting steel commodity into high yield strength weldable TMT (Thermo Mechanically Treated) Steel Bars, 4% lesser in weight and 20% stronger than other normal TMT Steel bars.

## INAUGURATE NEW SYNERGIES

Creating a new orbit of Kamdhenu Flagship, the Paint business, upon demerger, will be transferred to Kamdhenu Colour and Coatings Limited – a subsidiary of Kamdhenu Ventures Limited. For sharing a wealth of the Paint business with the shareholders of the Company, the shareholders will be entitled to equity shares of Kamdhenu Ventures Limited, on mirror shareholding basis.





## MANAGEMENT DISCUSSION AND ANALYSIS

### I. Economic Overview

#### The Global Economy

The year 2022 was a mixed bag for the economy. Mass vaccination drives, easing of restrictions, revival of demand and fiscal stimulus packages were some of the key positives during the year. The challenges consisted of repeated Covid-19 waves, inflation, supply chain disruptions, the Russia-Ukraine conflict and rising energy prices kept the economy on the tenter hooks. Global inflation is predicted to rise considerably in 2023, following rising commodity prices and pricing pressures as a result of geopolitical tensions. Global growth is projected to slow from an estimated 6.1% in 2021 to 3.6% in 2022 and 2023 (Source: IMF, World Economic Outlook, April 2022).

#### Overview of World Economic Outlook Projections:

#### World Economic Outlook Projection

(Percentage Change)

	Year over Year		
	Estimate	Projections	
	2021	2022	2023
World Output	6.1	3.6	3.6
Advanced Economies	5.2	3.3	2.4
United States of America	5.7	3.7	2.3
Euro Area	5.3	2.8	2.3
Japan	1.6	2.4	2.3
Emerging Market and Developing Economies	6.8	3.8	4.4
China	8.1	4.4	5.1
India	8.9	8.2	6.9
Brazil	4.6	0.8	1.4
Russia	4.7	-8.5	-2.3

After the second wave of the Covid-19 pandemic, the global economy witnessed steady revival, leading to significant increase in electricity consumption. Heavy rains in the coal mining areas caused global coal shortages and thereon, resulted in hike in coal prices. Rising fuel prices and increasing incidence of power cuts were among the immediate effects observed globally. During August-September, there was considerable increase in power consumption – from 106.6 billion units (BU) per month in 2019 to 124.2 BU per month in 2021. Further, between 2019-2021, the share of coal-based generation spiked from 61.91% in 2019 to 66.35% in 2021.

The surge in crude oil prices within international markets was the result of the ongoing war between Russia and Ukraine. As per the world bank, the price of Brent crude oil is expected to reach an average of USD 100 barrel in 2022 – the highest since 2014, and 40% more than 2021 figures. Further, prices are expected to

moderate by USD 93 in 2023. (Source: World Bank)

Since the second half of 2021, global steel prices have risen dramatically, particularly in the United States and Europe. 2020 onwards, HRC (hot- rolled coil) prices in the United States have risen from roughly USD 550 per tonnes to around USD 1,500 per tonne. HRC prices in Europe have also risen sharply, from USD 500 per tonne to USD 1,050 per tonne. Increase in import costs further led to higher production costs for the global steel product makers, negatively impacting profitability thereon. These uncertain events are anticipated to continue till 2022 and relaxation is likely to be observed by 2023.

#### The Indian Economy

The Indian economy bounced back strongly post the second wave of the pandemic, during Q1 of FY 2022 and India's GDP grew by 8.7 % in FY22 compared to a contraction of 6.6% in FY21 and the Economic Survey

## MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

tabled in Parliament in February had estimated the GDP growth for the FY 2022-23 to be in the range of 8 - 8.5%. The Government and the Reserve Bank of India quickly stepped in to put the economy back on track in the quickest possible time and undertook multi-dimensional policy interventions to minimise the impact of the crisis. Alongside moderation in the virus spread and scaling down of the lockdown restrictions, the Indian economy demonstrated major progress. A strong rural demand, robust Government expenditure and pent-up market demand aided in this recovery process.

India was impacted by the rise in commodity prices, including fuel, owing to Russia's invasion of Ukraine and pent-up demand following the resumption of economic activities after Covid-19. The Brent crude oil hit on an average of USD 100 per barrel for the first time since 2014. The increase in crude oil price further impacted the household budget in India due to inflationary pressures.

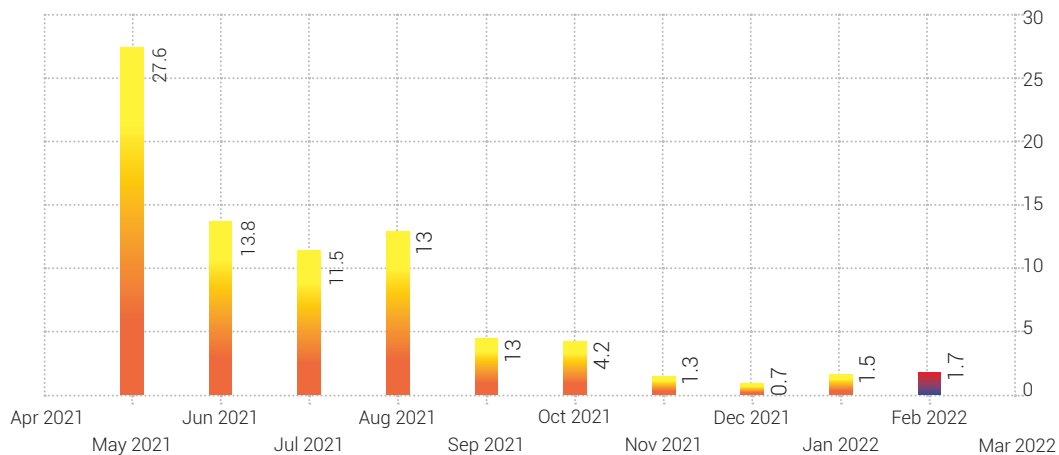
India is the world's second- largest producer of steel. The Covid-19 outbreak and supply chain disruptions impacted the Steel market in India. In comparison

to international steel pricing, domestic steel prices remain low. Following the ease in lockdowns, the Indian steel producers raised prices significantly in the recent quarter. As a result, discount levels drastically decreased. With improvement in global supply, worldwide prices are expected to drop in the coming quarters, accordingly, the need for decreasing the price will be expected from the Indian steelmakers.

### India Industrial Production (IIP) Trend (April 2021-March 2022) (%)

India's Industrial Production grew by 1.7% year-over-year basis, by February 2022 – advancing from an upwardly revised 1.5% rise in the previous month, doesn't able to meet the anticipated rise of 2.6%. Output advanced at a faster pace for electricity (4.5% vs 0.9 % in January, 2022), and mining (4.5% vs 2.8%) whereas eased for manufacturing (0.8% vs 1.3%).

Industrial output declined 4.7%, compared to a 0.1% uptick in the previous month. Considering the April-February period of 2021-22, production expanded by 12.5% from previous year.

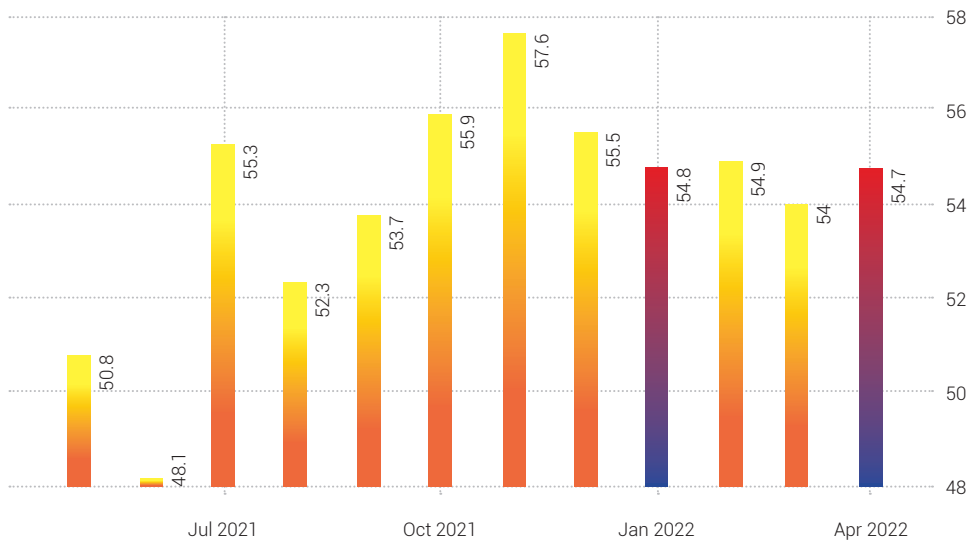


### Price Manufacturing Index

Activities in the Manufacturing sector spiked due to increased demand and ease in restrictions. In April, the Manufacturing sector saw a small increase in new orders and output and in the last nine months, international demand increased. According to S&P Global, the India Manufacturing Purchasing Managers' Index (PMI) increased to 54.7 in April from 54 in March, despite rising inflationary pressures. A survey-based index reading of more than 50 implies increased Company activity.



## MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)



### Consumer Price Index and Retail Inflation in India

The retail inflation in India is tracked by Consumer Price Index (CPI). In April, 2022 the CPI reached 7.79%, the highest in the last eight years as per National Statistical Office (NSO). This was owing to continued geopolitical disturbance and acceleration in food inflation to 8.38% in April from 7.68% in March. Going ahead, commodity price hike, supply chain bottlenecks, tightening liquidity in the country and risks pertaining to the Covid-19 virus continue to remain key concerns.

As per Morgan Stanley, a global slowdown in the economy, rising oil prices, and weaker domestic demand would further lower the projected growth rate for the Indian economy, in the next two financial years. Morgan Stanley projected CPI to stand at 6% in the later FY 2022. The Central Bank (RBI) raised repo rate by 40 basis points to 4.4% for the first time in two years.

### Wholesale Price Index

The Wholesale Price Index surged to a record high of 15.1% in April, owing to the rise in basic food prices. The WPI inflation has been in double digits for thirteen months in a row. The core WPI inflation which represents the long-run trend in the price level rose to a four-month high of 11.1% in April. Fuel inflation and

manufacturing inflation rose to 38.66% and 10.85% respectively. The Russia-Ukraine conflict is the major reason for these gains in inflation rates.

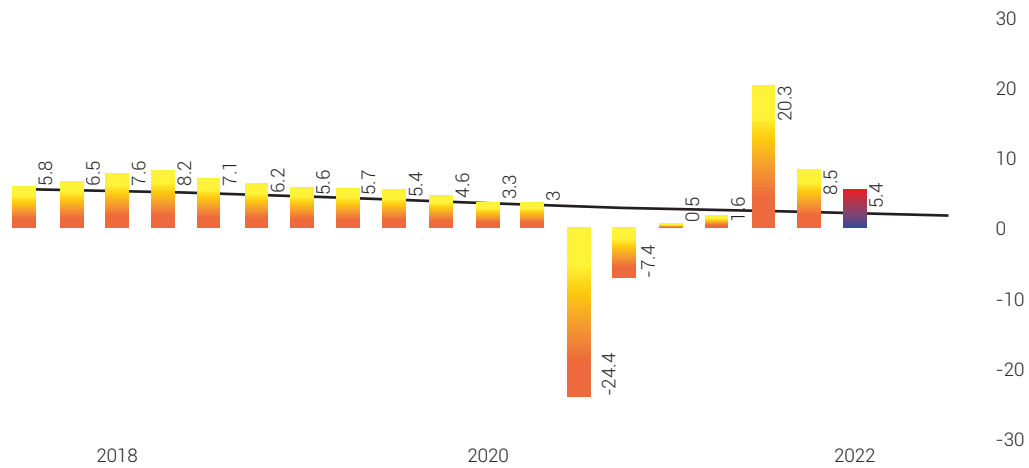
To further strengthen the overall domestic Manufacturing sector and make India self-reliant, the Government announced a massive 20-lakh-crore stimulus package to elevate economic growth and provide much-needed liquidity to the MSME sector under its flagship programme, 'Atmanirbhar Bharat Mission' and PLI schemes. The Government also relaxed the fiscal deficit target and accorded utmost priority to economic recovery.

On the supply side, real gross value added (GVA) rose by 8.3% in 2021-22, with its major components, including services, exceeding pre-pandemic levels.

The second advance estimates (SAE) for 2021-22 released by the National Statistical Office (NSO) on 28th February, 2022, placed India's real Gross Domestic Product (GDP) growth at 8.9% – 1.8% above the pre-pandemic (2019-20) level. Thus, the country is expected to regain its position as among the fastest-growing economy in the world, notwithstanding the economic uncertainties triggered by the war.



## MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)



### II. Industry Structure and Developments

#### Steel Industry

The global Steel industry witnessed a better than expected growth, despite the pandemic and supply chain disruptions. Due to the Government’s severe restrictions against real estate developers, China’s steel consumption slowed significantly in 2021. As the Government strives to promote infrastructure investment and stabilise the Real Estate market, steel consumption will remain flat in 2022. Steel consumption is expected to expand somewhat, in 2023, as a result of the stimulus measures implemented in 2022. Larger stimulus measures, which are inevitable if the economy confronts more headwinds from the deteriorating external environment, have upside potential. The World Steel Association anticipates steel demand to edge up 0.4% in 2022 to 1.84 billion MT, and grow a further 2.2% in 2023 to 1.88 billion MT.

The details of top 10 steel producing nations are as follows

Rank	Country	(mn tonnes)		
		2022	2021	Change (%)
1	China	1,033	1,065	(3.0)
2	India	118	100	17.7
3	Japan	96	83	15.7
4	Russia	76	72	6.1
5	United States	86	73	18.3
6	South Korea	71	67	5.2
7	Turkey	40	36	12.8
8	Germany	40	36	12.3
9	Brazil	36	31	16.1
10	Iran	29	29	(1.7)

Source: World Steel Association (WSA)



## MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

The Indian Steel sector has been able to grow over the years owing to the domestic availability of raw materials such as iron ore and cost-effective labour. The steel production capacity in India increased from 1,540 Million Tonnes Per Annum (MTPA) in 2011, to 1,850 MTPA in 2021 (Source: Care edge report, February, 2022). Exports originally drove demand recovery, but a robust rebound in manufacturing and infrastructure activity resulted in a rapid increase in steel production and consumption. For FY 2022, crude steel production is anticipated to reach 112-114 MT, with an estimated 8% to 9% on YoY basis. (Source: CARE Ratings, <https://www.ibef.org/industry/steel>) The Union Budget 2022-23 focuses on providing infrastructure push towards seven engines (Roads, Railways, Airports, Ports, Mass Transport, Waterways and Logistic Infra). The allocation for various schemes like Pradhan Mantri Awas Yojana (PMAY) scheme, and Jal Jeevan Mission will lead to opportunities in the Steel industry. Steel demand will remain high as a result of the stimulus package announced by various countries. India's finished steel consumption is anticipated to increase to 230 MT by 2030-31, from 86.3 MT in FY 2022. (Source: IBEF)

Despite all the hiccups, construction is expected to rebound and grow by around 7% in the near term as projected by industry think tanks. The Government's focus on developing the infrastructure sector and the ongoing and planned initiatives, such as the Bharatmala programme for the development of roads, the Sagarmala programme for port-led industrial development, the Urja Ganga Gas Pipeline Project, the Smart Cities project and projects under the Atal Mission for Rejuvenation and Urban Transformation (AMRUT) will contribute to the growth of the Steel sector.

China has the world's largest steel production capacity and consumption, followed by India and Japan. China is the largest consumer of finished steel products, accounting for 56.2% of total consumption, followed by India (4.99%) and the United States (4.52%). (Source: Care edge report, February, 2022) Infrastructure development would boost worldwide steel production and consumption, following increased spending on infrastructure and construction projects, and growth in the Automobile industry. Going forward, China's expected consistent consumption, as well as the country's aim to lower output levels in order to reduce CO2 emissions, will be among the key factors favouring India,

### Paint Industry

The Paint industry in India is broadly categorised into two parts – Decorative Paints and Industrial Paints. Over the last decade, the decorative paints segment outperformed the industrial paints segment in terms of growth. While the decorative paints segment recorded an increase of 11% CAGR from FY 2014 to FY 2021, the industrial paints segment witnessed at 9% CAGR (Source: YES Securities report, April 2022). The decorative paint segment includes various categories depending on the nature of the surface like exterior wall paints, interior wall paints, wood finishes, enamels as well as ancillary products like primers, and putties, among others. The industry paints segment includes a broad array of categories such as automotive coatings, marine coatings, packaging coatings, powder coatings, protective coatings and other general industrial coatings. The Paints market witnessed squeezed margins as crude oil and gas prices soared – this being a major cost factor. Another element that may cause concern for the industry is low consumer demand. Weak demand could further affect the decorative paints segment.

Decorative paints account for almost 73% of total paint industry revenue. The trend is anticipated to continue in future, given the strong expansion of decorative paints, particularly in Tier-2, Tier-3, and rural areas of India, where there is a lot of room for faster penetration. India's per capita paint consumption was 2.6 kg in 2012, 3.3 kg in 2015, and 4.1 kg in 2019, which is lower than other developed and developing countries around the world. However, it is expected to reach 4.53 kg in 2023 and 5.03 kg in 2025 (Source: YES Securities report, April 2022), indicating a strong upward trend. India's per capita spending will rise in tandem with its GDP growth. Besides, a rise in disposable income of the average middle class, urbanization, growing rural market, shortening of the repainting cycle, and an increase in the sale of premium-end products will act as the major growth drivers for the Organised Paint industry.

### III. Business Overview

Since its inception in 1994, Kamdhenu Limited ('Kamdhenu' or 'The Company') has been at the forefront of establishing an exceptional presence in the Home Building Material segment. The Company operates on a one-of-a-kind franchise business model

## MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

that was launched in 2005 and marked a defining moment for Kamdhenu. Currently, the Company manufactures and distributes best-in-class building materials to real estate and infrastructure developers, and individual home builders, throughout India. TMT Bars, Structural Steel, and Colour-Coated Sheets comprise the Company's product portfolio under Steel Segment.

In 2008, the Company forayed into the decorative paints business by establishing its manufacturing facilities at Chopanki, Rajasthan. Since then, it has progressed in the industry by emphasising a premiumization strategy while remaining environmentally conscious. In addition to its mission of delivering the best, the Company's strong Pan-India presence has enabled it to command a higher brand value for its steel and paints items. Additionally, the Company's implacable distribution network, marketing, and branding efficacy allowed it to penetrate farther into the marketplaces.

### Key Success Drivers

- State-of-the-art manufacturing facility and robust franchisee business network giving a competitive edge in the market;
- Wide product portfolio across both business segments;
- Quick delivery services Pan-India, driven by a strong franchisee, dealer and distribution network;
- Excellent market understanding and customer insights alongside competence advantage, enabling rapid expansion;
- Robust R&D and innovation to deliver innovative products across segments ;
- Premium quality products and customers' trust allowing market distinction;
- Ensuring consistent growth in ROE, ROCE, and profit margin year after year.

### Steel segment

The Company's Steel business registered significant growth despite challenges owing to rising steel prices and conflict that arose due to Russia-Ukraine war. A diverse product portfolio along with proactive counter measures like prudent cost management and focus on improving productivity facilitated further growth. As of now, the Company is associated with over +80 franchisee units to manufacture steel bars.

In the financial year 2021-22, the Company had a

significant order book of its Steel products, specially Kamdhenu NXT TMT, driven by strong market demand. Accordingly, the Company's revenue of steel segment from its own facility stood at ₹ 473 Crore and revenue in the form of Royalty Income from franchisee sales stood at ₹ 92 Crore.

### Paint Segment

In our Paints segment, we have reported revenue growth of 19% YoY to ₹ 241 Crores in FY 2022. Our paint factory with a total installed capacity of 30,000 KLPA at Chopanki, Rajasthan had started with full fledge operations which shall augur well to meet the demand of decorative paints. The Company has been able to partially pass on the price increase in raw material prices. During FY22, the Company has taken price increases of 8%-10%. We continue to monitor the raw material prices with the current geopolitical situation and supply side disruptions.

The paint division at Kamdhenu strategically built its brands over the years and made a good name for itself in the segment. It contributed 29% to the revenue of the business. The management of the Company is focused on increasing the share of the premium and environment-friendly products and introducing new variants in the market for the common masses to meet the varied customer requirements and to continue their expansions, strengthening the Company's market position.

During the financial year 2021-22, based on the strong market demand, the Company had a significant order book of its Paint products. Our constant focus is on offering environment friendly products, ensuring that the splendour of nature is preserved. With consumers speeding up their home renovation and repainting cycles, we anticipate the demand trend to continue.

### Outlook

The Steel market remains poised to be largest in terms of production for FY 2022, as compared with the financial year 2021 – which goes down in history as an extraordinary one due to the pandemic disrupting trade and supply chains.

Despite these challenges during Q1 FY 2022, Kamdhenu delivered a strong performance in both Paint and Steel business in Q2 FY22 with a diagonal vertical spike in demand and favourable macroeconomic scenario leading to pick up in economic activities. The demand for paint products was driven by pent-up demand and



## MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

the festive season across the country, and the steel demand was on account of high construction and infrastructure activities.

As both of the Company's businesses, i.e. Steel and Paints are equally important to the Company. As the Paint business already started bearing fruits and to share a wealth of such fruits with the shareholders of the Company, the Management decided to demerge the Paint business of the Company to create a fresh orbit for the Paint division by transferring the Paint Business to one of the stepdown wholly owned subsidiary Company i.e. Kamdhenu Colour and Coatings Limited. In consideration to that, Kamdhenu Ventures Limited, will issue equity shares to the shareholders of Kamdhenu Limited on mirror shareholding basis and will be listed on the Stock Exchanges i.e NSE and BSE.

### Scheme of Arrangement

In order to hive-off the Paint business and to give a new existence to the Paint Business, the Board of Directors of the Company has 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 and Tiptop Promoters Private Limited, Kamdhenu Limited, Kamdhenu Ventures Limited and Kamdhenu Colour and Coatings Limited which being divided into two parts.

Wherein 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 will get merged into Kamdhenu Limited, being the first part of the Scheme of Arrangement and second part is for De-merger of Paint Business of Kamdhenu Limited so as to transfer whole of Paint business into Kamdhenu Colour and Coatings Limited, a subsidiary of Kamdhenu Ventures Limited, for which Kamdhenu Ventures Limited will issue the shares to Shareholders of Kamdhenu Limited as well as to the Shareholders of Transferor Companies, in consideration of the transfer of the Paint Business pursuant to de-merger, as set out under Scheme. The Equity Shares proposed to be issued by Kamdhenu Ventures will be listed on the Stock Exchanges i.e. NSE and BSE.

Both merger and de-merger parts of the Scheme will enable the Kamdhenu Limited and Kamdhenu Ventures Limited, to realise benefits of greater synergies between their businesses, yield beneficial results and diversify the pooled resources in the interest of maximising

value of the shareholders and other stakeholders.

In view of the above the Company has filed an application of Scheme of Arrangement with Hon'ble National Company Law Tribunal, Chandigarh Bench ("NCLT") on 18th March, 2021.

The 1st Motion order on the petition was pronounced by the Hon'ble National Company Law Tribunal, Chandigarh Bench on 4th August, 2021. As per the directions received by the Hon'ble National Company Law Tribunal, Chandigarh Bench, the Company has convened the separate meetings of equity shareholders, secured and un-secured creditors of the Company on 25th September, 2021 at 10:00 A.M., 01:00 P.M. and 03:00 P.M. respectively, under the supervision of Hon'ble NCLT and pursuant to the report of Smt Komal Preet Kaur, Practising Company Secretary, Scrutinizer appointed by the Hon'ble NCLT, the Scheme of Arrangement was approved with requisite majority of the equity shareholders, and un-secured creditors, respectively and unanimously by Secured Creditors of the Company.

After having the Scheme of Arrangement approved by the Equity Shareholders, Un-Secured Creditors and Secured Creditors of the Company. The Company has filed the 2nd motion petition on 5th October, 2021 with the Hon'ble NCLT and the order for the same was received on 16th December, 2021 stating the next date of hearing of the petition has been fixed by the Hon'ble NCLT Chandigarh Bench in the matter of Scheme of arrangement as 22nd March, 2022.

By the date of hearing, the Company received a letter no. 6/302/T-3/2021/14968 dated 21st March, 2022 from the Regional Director, Norther Region, stating that they have examined the application for the Scheme of Arrangement of the Company, which being satisfactory found it to be true and requested the Hon'ble NCLT Bench of Chandigarh for their kind consideration. On the same day the Company has also received a letter no.OL-Chd/KCL/CP(CAA)22/Chd/Hry/2021/2679 dated 21st March, 2022 from the office of Official Liquidator, stating that the Scheme of Arrangement may kindly decided on merit basis by the Hon'ble NCLT Bench of Chandigarh.

The Hon'ble NCLT Bench of Chandigarh on 22nd March, 2022, has provided the next date of hearing i.e., as 22nd April, 2022, for considering the facts of letters furnished by the Regional Director and Official Liquidator. On 22nd April, 2022, the Hon'ble National Company Law Tribunal, Chandigarh Bench, has reserved the order on the approval of Scheme of Arrangements, after

## MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

consideration of the facts, pleadings and submissions and the order was awaited till the date of this report.

### IV. Operational Performance

With an installed capacity of 120,000 MTPA for production of Thermo Mechanically Treated (TMT) Steel Bars, Kamdhenu continues to be an emerging player in India in the retail segment with overall brand turnover of ₹ 16,000 Crore. The Company's wide range of products, comprising Kamdhenu Nxt, Kamdhenu PAS10000, Kamdhenu Paints and other sustainable and innovative building materials and solutions, provides its customers with a wide range of choices.

Our paint business is amongst the top paints Companies in India with an installed capacity of 30,000 KL p.a. The unit of the paint division is situated at Chopanki, Rajasthan and had started with full fledged operations post fire incident around April, 2019. The Company has best-in-class portfolio in the paint business that includes Exterior & Interior Emulsions, Water based primers, Wood Finishes, Aluminium Paints, Textured & Designer Paints. The Company have 4,000 plus dealers and 5,000 plus active painters associated with the Company through which we provide specialised solutions that aid to the household and industrial demand. In the financial year 2021-22 the Company have reported revenue growth of 19% to ₹ 241 Crores. Going ahead the Company has focused strategy to set base in the smaller Indian towns identifying an underserved gap in the paint industry specially in the North and East markets.

Kamdhenu's persistent efforts during three decades made it a force to have faith in. Effective operation management and an asset-light franchisee model give it a competitive edge. Furthermore, the Company intends to introduce new products, doing business with more franchisees and dealers, and increase margins.

During the financial year 2021-22, the Company recorded strong performance both in terms of revenue and profitability across all business segments despite various challenges, including Covid-19-led disruption during Q1 2022, higher steel prices and supply chain disruptions.

### V. Financial Performance

The Company witnessed a strong financial performance in FY 2022, with a whopping 34% growth and 19% in net revenue under Steel and Paint Segment respectively as compared to the previous financial year 2021, as a result of resilience and agility in managing the challenges of a dynamic external environment. All its business segments performed well, with both the Steel and Paint segments registering ~34 % growth in revenues.

The revenue from operation marked a growth of 34% from ₹ 62,522 lakhs in 2020-21 to ₹ 84,076 lakhs in 2021-22. The growth can be attributed to robust market demand as well as improvement in realization. The Company embarked on several cost optimization measures, which helped in absorbing hikes in the costs of various inputs and enhanced profitability.

During the year, the Company reported 17% growth in the operating EBITDA, from ₹ 2,040 Lakhs in 2020-21 to ₹ 5,800 Lakhs in 2021-22.

The net profit for the year registered 74% growth, from ₹ 1509 Lakhs in 2020-21 to ₹ 2632 Lakhs in 2021-22. The earnings per share for the year stood at ₹ 9.77.

Going ahead, the Company's focus will continue to remain on strengthening the share of value-added products in its portfolio. The Company plans to further strengthen its market penetration by entering into newer geographies, augment capacities through brownfield expansions and de-bottlenecking initiatives across existing units, while remaining focused on sustainability.

### Key Financial Ratios and Significant Changes during the Year

S.No.	Particulars	FY 2021-22	FY 2020-21	Change (Increase/Decrease)	Reason for change in ratio by more than 25% as compared to preceding year
1	Current ratio	1.76	1.52	15.14%	
2	Debt-Equity ratio	0.43	0.51	-16.57%	
3	Debt service coverage ratio	2.66	0.95	180.31%	Debt service coverage ratio has improved due to reduction in finance cost and reduction in debt position



## MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

S.No.	Particulars	FY 2021-22	FY 2020-21	Change (Increase/ Decrease)	Reason for change in ratio by more than 25% as compared to preceding year
4	Return on equity ratio (in %)	12.07%	7.75%	55.72%	Return on equity has increased due to increase in profitability
5	Inventory Turnover ratio	10.34	7.38	40.02%	Inventory turnover ratio has increased due to increase in turnover in comparison of Inventory level
6	Trade receivable turnover ratio	4.23	3.04	39.18%	Trade Receivables have not increased materially. The Turnover ratio has declined due to increase in turnover and no material change in Trade receivables.
7	Trade payable turnover ratio	6.46	3.78	70.87%	Trade Payable turnover ratio have increased due to decrease in Trade Payable Level.
8	Net Capital turnover ratio	5.92	5.63	5.18%	
9	Net profit ratio (in %)	3.13%	2.41%	29.69%	Net profit ratio have increased due to increase in profitability.
10	Return on Capital employed (in %)	14.06%	11.25%	24.94%	
11	Return on Investment (in%) on PMS	19.10%	54.45%	-64.91%	Return on Investment have declined due to further investment and owing to market volatility.
12	Interest Coverage Ratio	4.46	2.54	75.59%	Interest Coverage ratio has improved due to increase in profitability and reduction of Borrowings during the year
13	Operating Profit Margin (%)	5.37	5.53	-2.89%	

### VI. Corporate Social Responsibility

The Company duly adopted the Corporate Social Responsibility Policy (CSR Policy) in place and also constituted the Corporate Social Responsibility Committee, comprising members from the Board of Directors of the Company.

The Committee is entrusted with the responsibility of effectuating and operationalising the CSR Policy of the Company. As part of these efforts, the Company continues to engage with the local community at its Plant site since its inception and also undertaking the CSR initiatives by channelising maximum contributions towards local areas. Kamdhenu has been working towards the development of communities around its

plant locations. It considers these communities as the primary stakeholders and ensures their prosperity through the CSR wing Kamdhenu Jeevandhara Foundation, in tandem with its growth.

Moreover, the Company aims to fulfil the basic human rights of the communities. The Company has been providing donations towards institutions engaged in old age homes, skill development, women empowerment, community health, and education.

Details on CSR expenditure mandated by the Companies Act, 2013 are presented under Annexure-B of the Directors' Report which forms a part of the Annual Report. The CSR Policy of Kamdhenu Limited is available on the website.

## MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

### VII. Risk Management and Concerns

The Company adopted a comprehensive Risk Management framework which helps to identify risks and opportunities and monitor their movement. The risk is evaluated based on two parameters:

- Likelihood of the event
- Impact of risk on the Company's operations and performance

Primary risks are defined as those with a high likelihood and high impact. The Company's risk management framework also identifies the potential emerging risks. This methodical approach to risk identification helps Management in making strategic decisions and building-specific risk mitigation plans. The identified risks are subsequently incorporated into the Company's ongoing planning cycle, which is reviewed regularly to ensure that business and operations are sustainable and secure. The Risk Management Committee ('RMC') oversees and sets the tone for implementing the Risk Management framework throughout the Company. It analyses the status of significant risks and the application of Risk Management across plants and the corporate office on a regular basis.

#### Industrial Risk

**Impact:** External factors like rising steel prices have a big impact on the Company's operations and increase in instability under infrastructure sector could affect our businesses, which could overall impact the Company's profitability.

**Mitigation measure:** The Company is well situated to take advantage of opportunities in the infrastructure and real estate sectors. Because of its strong brand reputation and superior product quality, the Company favours supplier for the aforementioned industries.

#### Competition risk

**Impact:** The competitive position of Kamdhenu could be negatively impacted by changes in the steel and paint industries' competitive environment, which could have an impact on the Company's profitability.

**Mitigation measure:** The Company expanded its emphasis on R&D while implementing an effective business strategy, quality, and services. It makes it possible for the Company to cultivate a strong sense of community among its stakeholders, leading to ongoing market share management.

#### Regulatory risk

**Impact:** Every aspect of the steel industry is governed by a complex regulatory structure that is constantly changing. Any deviation from this regulatory framework could materially affect the Company's operations as well as negatively affect its reputation. Business decisions and market footprint may be impacted by global disruptions, changing environmental and sustainability policies, etc. In order to anticipate the effects of changing laws, policies, and government beliefs on issues affecting the Company's operations, Kamdhenu continuously monitors the regulatory landscape.

**Mitigation measure:** The Company is dedicated to abiding by all applicable laws and regulations, encouraging environmental stewardship, and has a zero-tolerance policy for non-compliance. It is fundamental to our operating philosophy and culture. To ensure awareness and compliance, the Company has a strong compliance management system. For proper focus and compliance, the roles and responsibilities have been clearly established.

#### Financial and Credit Risk

**Impact:** Depending on the operating conditions of the steel and paint markets, Kamdhenu's profitability and cash flow may be impacted. Rising finance costs and a failure to meet debt obligations on time could have an effect on the Company's credit worthiness.

**Mitigation measure:** Due to its strong operating results and careful working capital management, the Company has been able to maintain a low debt-to-equity ratio over time. This has been made possible by efficient financial resource management. Historically, internal accruals have been the main source of growth funding, which has led to lower borrowing costs and improved credit risk management. Additionally, employing a franchise-based strategy lowers asset ownership costs.

#### Regulation risk

**Impact:** Any substandard product created by the franchisee unit could harm the reputation of the Company. Additionally, substandard quality or customer service may have a negative effect on future business opportunities.

**Mitigation measure:** The Company establishes exacting quality standards and technical requirements that franchisee units must follow as a mitigating



## MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

measure. Before being assigned to the franchisee unit, all employees receive training at the Company's manufacturing facility.

### Capacity risk

**Impact:** The Company's reputation could suffer if it is unable to produce and deliver the required volumes due to a capacity issue. By choosing franchises across the nation, the Company has successfully developed an asset-light strategy.

**Mitigation measure:** The Company assesses the franchisee's production capabilities as well as the necessary skill sets to ensure the best results from each unit. As a result, clients all over the nation can get finished products quickly.

### Raw Material price risk

**Impact:** Changing raw material costs or a lack of necessary inputs could have an effect on the Company's overall operations, causing delays and cost inflation. Ingots and billets are the main raw materials needed to make TMT bars.

**Mitigation measure:** The raw material are sourced on a spot basis to guard against price changes. The natural price increase for raw materials is primarily passed along to consumers. The cost of petroleum, alkyd resin, and titanium dioxide in the paint market segment is influenced by global crude oil prices. The Company is focusing on using water-based paint, which is more environmentally friendly, to address this.

### Health and Safety risk

**Impact:** In today's challenging times, where we want to promote our vision of "Zero Harm" in our daily operations, maintaining the safety of all stakeholders, whether internal or external, is a monumental task. At the same time, we want to make sure that we continue to adhere to all health and safety-related protocols without having an adverse effect on business.

**Mitigation measure:** The Company's Senior Official has been assigned to the Plant and the Corporate Office to oversee and uphold all relevant Health & Safety protocols. To ensure complete compliance with Health & Safety directives/guidelines, the Company conducts safety induction programmes for its employees, labour, and third-party workers, and periodically reviews them.

### Supply risk

**Impact:** Delays in the delivery of finished goods to customers could be brought on by inefficient supply management, logistics, and distribution, which would be detrimental to the Company's reputation.

**Mitigation measure:** The Company has established a strong supply chain management, starting with the acquisition of premium raw materials, moving through an effective manufacturing procedure, and finishing with a strong distribution network covering all of India and located close to its customers.

### Goodwill risk

**Impact:** Any substandard product created by the franchisee unit could damage the Company's reputation. Additionally, poor quality or customer service may hurt a Company's chances for success in the future.

**Mitigation measure:** The Company establishes stringent quality standards and technical requirements that franchisee units must adhere to as a deterrent. All employees are trained in the Company's manufacturing facility before being sent to the franchisee location.

## VIII. Internal Controls and their adequacy

The Company has a system of internal controls commensurate with the nature and size of its operations, which effectively and adequately encompasses every facet of its operations and functional areas. The system involves a compliance management team with established policies, norms and practices as also the applicable statutes and rules and regulations, with an inbuilt system of checks and balances, so that appropriate and immediate corrective actions are initiated in right earnest in the event of any deviations from the stipulated standards and parameters. The effectiveness and deliverability of the internal control systems are reviewed periodically so that measures, if any, needed for strengthening the same can be taken, with the changing business needs of the Company. The Company continues to regularly review its systems, processes and controls on an ongoing basis, comparing and aligning them with the industry best practices.



## **MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)**

### **IX. Human Resource**

The Company's Human Resource Policy provides an environment that motivates its employees to realise their full potential. The Company respects each employee and motivates them by offering opportunities based on their skill-sets, and in the process, builds mutually benefiting relations between the Company and its employees. The Company has put in place a policy that not only increases productivity but also increases the job satisfaction of its employees. As on March 31, 2022 the total number of employees were 897.

The Company has put in place a recruitment system in the organization wherein right candidates with the right skills are recruited. The Company has established systems, which aim to provide training to employees at every level of the organization that leads to quality work output in their assigned work, in turn, helps helping in improving the bottom-line of the Company. In addition to this, proper remuneration, regular appraisal and development opportunities provided to the employees has enabled the Company to achieve its goal in a highly competitive market. The Company believes that its employees are most productive when they have a good work-life balance to enable them to meet their responsibilities outside work and minimises employee turnover.

### **X. Cautionary Statement**

The statement in the Management Discussion and Analysis describing the 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 the 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. The 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 28<sup>th</sup> (Twenty Eighth) Annual Report of Kamdhenu Limited (**'the Company'**) along with the audited Standalone & Consolidated Financial Statements and the Auditor's Report thereon for the financial year ended 31<sup>st</sup> March, 2022 ('year under review').

### 1. FINANCIAL RESULTS

Your Company is engaged in the business of manufacturing and marketing of Steel and Paints and has earned a net profit of ₹ 2631.89 Lakhs for the Financial Year ended 31<sup>st</sup> March, 2022. The financial highlights of your Company for the financial year ended 31<sup>st</sup> March, 2022, on a Standalone and Consolidated basis, are as under

Particulars	Standalone		Consolidated	
	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21
Revenue from Operations	84,075.63	62,522.13	84,075.63	62,522.13
Other Income	198.42	349.38	198.42	349.38
<b>Total Revenue</b>	<b>84,274.05</b>	<b>62,871.51</b>	<b>84,274.05</b>	<b>62,871.51</b>
Total Expenses	80,186.29	59,772.17	80,186.97	59,773.68
<b>Profit before Exceptional Items and Tax</b>	<b>4,087.76</b>	<b>3,099.34</b>	<b>4,087.08</b>	<b>3,097.83</b>
Exceptional Items	583.09	1,003.37	583.09	1,003.37
<b>Profit/(Loss) before tax</b>	<b>3,504.67</b>	<b>2,095.97</b>	<b>3,503.99</b>	<b>2,094.46</b>
Tax Expenses	872.78	586.86	872.79	586.84
<b>Profit for the Year</b>	<b>2,631.89</b>	<b>1,509.11</b>	<b>2,631.20</b>	<b>1,507.62</b>
<b>Total Comprehensive Income for the Year</b>	<b>2,551.32</b>	<b>1,503.36</b>	<b>2,550.63</b>	<b>1,501.87</b>
Paid up Capital (₹ 10 each fully paid-up)	2,693.55	2,693.55	2,693.55	2,693.55
Earnings per Share of face value of ₹ 10 Each				
Basic (In ₹)	9.77	5.62	9.77	5.62
Diluted (In ₹)	9.77	5.62	9.77	5.62

### 2. BUSINESS REVIEW

Inspite of the challenges faced by the Company during Q1 of FY 2021-22 due to various restrictions imposed by the Government, our company has ramp up its production and delivered strong performance in both Paint and Steel business from Q2 of FY 2021-22 with diagonal vertical spike in demand and favorable macroeconomic scenario leading to pick up in economic activities. The demand in paint products was driven by pent up demand and festive season across the country and steel demand was on account of the speed up of construction and infrastructure activities.

The Company's both Segments i.e Steel and Paints are equally important to the Company. The Company's Steel Business has been a pioneer in the revolutionary concept of Franchisee Model and have attained success in the middle tier steel segment on a regional front and

the Paint business has already started bearing fruits and to share wealth of such fruits with the shareholders of the Company, the management has decided to hive off the Paint business of the Company, so as to create a fresh orbit for the Paint division of the Company, by transferring the Paint Business to one of the step down Wholly Owned Subsidiary Company i.e. Kamdhenu Color & Coatings Limited and in consideration to that Kamdhenu Ventures Limited, will issue equity shares to the shareholders of Kamdhenu Limited on mirror shareholding basis and will be listed on the Stock Exchanges i.e NSE and BSE.

The Management of the Company has left no stone unturned for the expansion of the both the businesses i.e Steel and Paints business of the Company. While operational robustness was visible in the Company's performance in FY 2022, your Company has also

## DIRECTORS' REPORT (Contd.)

demonstrated its endeavor to provide a segment wise report on each of the Steel and Paint business of the Company as compared with the previous year, are depicted as under:

### STEEL DIVISION

In the Steel division, the production was over 25.53 Lakhs metric tons as on 31<sup>st</sup> March, 2022, as compared to the 23.91 Lakhs metric tons including the franchisee route, which marked a growth of approx. 7% YoY. The Royalty income from the franchisee stands up to ₹ 9,159 Lakhs being 7% higher as compared with the previous year which stands at ₹ 8,533 Lakhs.

The Company's total revenue from Steel Division stood at ₹ 59,931 Lakhs, which being higher by 41.6% on YoY basis.

The in house production capacity of Company is 1,20,000 MTpa and capacity of our franchisee units for Reinforcement Steel Bars (TMT Bars) stood at 38 Lakh Metric ton and for Structural Steels (Channels, Angles, Beams & Flats) stands at 5 Lakh Metric ton and 2.5 Lakh Metric ton for Color Coated sheets.

### PAINT DIVISION

While having a steady growth in the Paint business, the Company expects to have trajectory growth in near future on account of rise in real estate buying, revival in housing demand and changed consumer behavior with focus on enhancing and beautifying their personal spaces and homes.

The Company volumes for producing paints stands to 30,358 KL including from own manufacturing units and outsourcing through contract manufacturing, which has been slightly increased as compared with the production done in the previous year which was 30,319 KL.

The Company's total revenue from Paint Division stood at ₹ 24,145 Lakhs for producing 30,358 KL, which being higher by 19.50% on YoY basis.

### 3. STATE OF COMPANY'S AFFAIRS & PERFORMANCE.

Your Company has posted a net profit of ₹ 2,631.89 Lakhs on standalone basis, for the Financial Year ended 31<sup>st</sup> March, 2022. During the year under review, on consolidated basis, the revenue of the Company for the FY 2022 stood at ₹ 84,075.63 Lakhs which is higher over the previous year revenue of ₹ 62,522.13 Lakhs. The consolidated Profit after Tax (PAT) attributable to

the shareholders of the Company for the FY 2022 stood at ₹ 2,631.20 Lakhs as compared with the previous FY 2021 which was ₹ 1507.62 Lakhs.

On Standalone basis, the revenue of the Company for the FY 2022 stood at ₹ 84,075.63 Lakhs which is higher over the previous years' revenue of ₹ 62,522.13 Lakhs. The Profit after Tax (PAT) attributable to the shareholders of the Company for the FY 2022 stood at ₹ 2,631.89 Lakhs as compared with the previous FY 2021 which was ₹ 1509.11 Lakhs.

The Net worth of your Company on the standalone basis grew by 12 percent to ₹ 21,813.53 Lakhs as against ₹ 19,477.69 Lakhs as of 31<sup>st</sup> March, 2021 and on the Consolidated basis the same also grew by 12 percent to ₹ 21,810.40 Lakhs as against ₹ 19,475.24 Lakhs as of 31<sup>st</sup> March, 2021.

A consolidated Performance and Financial Highlights of the Subsidiary Companies i.e Kamdhenu Ventures Limited, Kamdhenu Color and Coatings Limited, were duly mentioned in the Consolidated Financial Statement which forms a part of this report.

### 4. DIVIDEND

The Board of Directors of the Company had pursuant to Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 has approved a Dividend Distribution Policy on 21<sup>st</sup> June, 2021. The Policy is available on the Company's website: [https://www.kamdhenulimited.com/Financial-Results/Dividend\\_Distribution\\_Policy.pdf](https://www.kamdhenulimited.com/Financial-Results/Dividend_Distribution_Policy.pdf)

Keeping in line with the said policy, the Board of Directors are pleased to recommend a final dividend of ₹ 1 (Rupee One only) per equity share of Face Value of ₹ 10/- each fully paid up, for the Financial Year ended 31<sup>st</sup> March, 2022, subject to the approval of the Members at the ensuing 28<sup>th</sup> Annual General Meeting ("AGM"). The total outflow on account of equity dividend will be ₹ 269.35 Lakhs.

Further, in terms of the provisions of Section 124 of the Companies Act, 2013 ('Act'), the amount of dividend transferred to the Unpaid Dividend Account of a Company, which remains unclaimed / un-paid for a period of seven years from the date of such transfer, shall be transferred statutorily along with interest accrued, if any, thereon to the Investor Education and Protection Fund ('IEPF') administered by the Central Government. To ensure maximum disbursement of



## DIRECTORS' REPORT (Contd.)

unclaimed dividend, the Company sends reminders to the concerned investors at appropriate intervals. Further, according to the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (the **"IEPF Rules"**), the shares in respect of which dividends are unclaimed/ un-paid by the members for seven consecutive years or more, are also required to be transferred to the demat account created by the IEPF Authority.

In compliance with the provision of Section 124 of the Act and IEPF Rules, the Company during the financial year under review, has transferred 25,999 equity shares to the demat account of the IEPF Authority. The details of such shares are available on the website of the Company at [https://www.kamdhenulimited.com/Financial-Results/Unpaid\\_Dividend\\_from\\_FY\\_2014\\_15\\_to\\_FY\\_2019\\_20\(upto31stMarch2021\).pdf](https://www.kamdhenulimited.com/Financial-Results/Unpaid_Dividend_from_FY_2014_15_to_FY_2019_20(upto31stMarch2021).pdf)

Shareholders are requested to check the list uploaded on the website of the Company for the amount of dividend which remain unpaid and if any dividend are due to them remains unpaid in terms of said lists, they can approach the Company/ Registrar and Share Transfer Agent of the Company i.e. Kfin Technologies Limited (erstwhile KFin Technologies Private Limited) for release of their unpaid dividend.

### 5. TRANSFER TO RESERVES

The closing balance of the retained earnings which form a part under the head Other Equity in the Financial Statement of the Company for the FY 2022, after all appropriations and adjustments was ₹ 19,116.85 Lakhs, on Consolidated basis and ₹ 19,119.98 Lakhs, on Standalone basis.

### 6. SCHEME OF ARRANGEMENT

The Company had filed 1<sup>st</sup> motion application of Scheme of Arrangement (**"SOA"**) with Hon'ble National Company Law Tribunal, Chandigarh Bench (**"NCLT"**) on 15<sup>th</sup> March, 2021 and order on the such petition was pronounced by the NCLT on 4<sup>th</sup> August, 2021.

As per the directions received by the NCLT vide its order dated 4<sup>th</sup> August, 2021, the Company has convened the separate meetings of equity shareholders, secured and un-secured creditors of the Company on 25<sup>th</sup> September, 2021 at 10:00 A.M., 01:00 P.M. and 03:00 P.M. respectively, under the supervision of Hon'ble NCLT, the said Scheme of Arrangement was approved with requisite majority of the equity shareholders, and

un-secured creditors, respectively and unanimously by Secured Creditors of the Company. Post approval, the Company has filed the 2<sup>nd</sup> motion petition on 5<sup>th</sup> October, 2021 with the NCLT and the order for the same was received on 16<sup>th</sup> December, 2021 stating the next date of hearing of the petition has been fixed by the Hon'ble NCLT Chandigarh Bench in the matter of Scheme of arrangement as 22<sup>nd</sup> March, 2022.

The Company has received letters dated 21<sup>st</sup> March, 2022 from the Regional Director, Norther Region and Official Liquidator, stating that they have examined the application for the Scheme of Arrangement of the Company and found the same satisfactory. The NCLT on 22<sup>nd</sup> March, 2022, has adjourned the matter and provided the next date of hearing i.e. 22<sup>nd</sup> April, 2022, for the final consideration and approval of the Scheme of Arrangement of the Company.

On 22<sup>nd</sup> April, 2022, the Hon'ble National Company Law Tribunal, Chandigarh Bench, has reserved the order on the approval of Scheme of Arrangements, after consideration of the facts, pleadings and submissions and the order was awaited as on date of this report.

### 7. MATERIAL CHANGES AND FINANCIAL COMMITMENTS.

Apart from the information provided/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. 31<sup>st</sup> March, 2022 to which this financial statement relates and till date of this Report.

### 8. SHARE CAPITAL

Pursuant to the Scheme of Arrangement and in terms of the provisions of Section 61 and 64 of the Act, the members of the Company in their Extra-Ordinary General Meeting held on 10<sup>th</sup> March, 2022 has increased the Authorized Share Capital of the Company from ₹ 30,00,00,000/- (Rupees Thirty Crores only) divided into 3,00,00,000 (Three Crores) Equity Shares of ₹ 10/- each to ₹ 41,50,00,000/- (Rupees Forty One Crores Fifty Lakhs only) constituting ₹ 30,00,00,000/- (Rupees Thirty Crores only) Equity Share Capital divided into 3,00,00,000 (Three Crores) Equity Shares of ₹ 10/- each and ₹ 11,50,00,000 Preference Share Capital divided into 1,15,00,000 (One Crore Fifteen Lakhs) Preference

## DIRECTORS' REPORT (Contd.)

Shares of ₹ 10/- each. Accordingly, the Capital Clause of Memorandum of Association of the Company was suitably altered.

Further, during the year under review, there was no change in the paid up equity share capital of the Company. Also, the Company has not issued any shares with differential voting rights nor granted any stock options or sweat equity.

### 9. PUBLIC DEPOSITS

During the year under review, your company has not invited or accepted any public deposits within the meaning of Section 73 of the Companies Act, 2013 read with rules framed thereunder.

### 10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Full particulars 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.

### 11. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of Directors, upon the recommendation of Nomination & Remuneration Committee in terms of Nomination and Remuneration Policy, in their meeting held on 30<sup>th</sup> May, 2022 has approved the re-appointment of Shri Satish Kumar Agarwal as Chairman & Managing Director, Shri Sunil Kumar Agarwal and Shri Sachin Agarwal as Whole-time Directors of the Company for the further period of three years, effective from the next day of the current expiry of their tenure i.e. 1<sup>st</sup> April, 2023 and which would be upto 31<sup>st</sup> March, 2026, subject to the approval of Shareholders of the Company at the ensuing Annual General Meeting. Accordingly the matter for their re-appointment for a further period of 3 years have accordingly been included in the notice convening the 28<sup>th</sup> Annual General Meeting of the Company for the FY 2021-22, for the approval of the members of the Company and necessary explanation and details have been mentioned in the explanatory statement to the Notice.

In accordance with the provision of Section 152 of the Companies Act, 2013 and Article 103 of the Articles of Association of the Company, Shri Satish Kumar Agarwal (DIN: 00005981) would be retiring as a director by rotation and being eligible for re-appointment, has offered himself for re-appointment. His reappointment as a rotational director, shall be deemed to be continuance of his term as Chairman & Managing Director, without any break.

Shri Madhusudan Agarwal who was appointed as Independent Director of the Company for a term of two consecutive years commencing from 22<sup>nd</sup> May, 2021 and till 21<sup>st</sup> May, 2023 by the shareholders of the Company at their 27<sup>th</sup> Annual General Meeting held on 27<sup>th</sup> day of September, 2021. As per the Regulation 25 (2A) of SEBI Listing Regulations read with SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2021 the re-appointment of Independent Director shall be subject to the approval of Shareholders by way of Special Resolution. As the Shri Madhusudan Agarwal is a person of high integrity, expertise and experience and he effectively participate in all the board matters and based on the valuable contribution made by him, from time to time, during his current tenure. Your directors feel that it is imperative that the said Independent Director be reappointed, for the second consecutive term of 5 (five) years which would be effective from the next day of his expiry of his current tenure i.e. w.e.f 22<sup>nd</sup> May, 2023 and uptill 21<sup>st</sup> May, 2028, subject to the approval of members by way of Special Resolution at the ensuing 28<sup>th</sup> Annual General Meeting. The necessary resolution for his re-appointment forms a part of the Notice of this 28<sup>th</sup> AGM.

It would be pertinent to mention here that the Nomination and Remuneration Committee has evaluated the performance of each Individual Director seeking appointment/re-appointment in the ensuing Annual General Meeting including fulfillment of their Independence criteria, as prescribed under SEBI Listing Regulations and that no director is debarred from holding the office of Director by virtue of order of SEBI or any other authority. The Nomination and Remuneration Committee after evaluating the performance of each director, placed before the board a report on performance evaluation of the Directors, for review.

Shri Saurabh Agarwal, Whole-time Director of the Company, has been re-designated as Non-Executive



## DIRECTORS' REPORT (Contd.)

& Non-Independent Director, liable to retire by rotation with effect from 1<sup>st</sup> June, 2022.

Smt. Nishal Jain, Independent Woman Director of the Company has resigned from the office of Director w.e.f 31<sup>st</sup> May, 2022, due to personal reasons and other professional commitments/ engagements as mentioned in her resignation letter dated 30<sup>th</sup> May, 2022.

Smt. Pravin Tripathi was appointed as Additional Director in category of Independent Woman Director in terms of the provisions of Companies Act, 2013 and SEBI Listing Regulation w.e.f 30<sup>th</sup> May, 2022 by the Board of Directors in their meeting held on said date, subject to the approval of shareholders in the ensuing Annual General Meeting. A brief profile and other details as per the SEBI Listing Regulations and Secretarial Standards are given in the explanatory statement accompanying Notice to the 28<sup>th</sup> AGM, which forms a part of this report.

Accordingly, a resolution to that effect i.e to re-designate Shri Saurabh Agarwal as Non-Executive & Non-Independent Director and for appointment of Smt. Pravin Tripathi as Non-Executive Independent Woman Director of the Company has been set out in the Notice of the 28<sup>th</sup> Annual General Meeting for the approval by the Shareholders of the Company.

The detailed profile along with the other details as mandate by the SEBI Listing Regulations for the Directors seeking appointment/re-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. Further with respect to the above appointment/re-appointment of the Directors, the Company has received a;

a) Individual notice(s) under section 160 of the Companies Act, 2013, from themselves for appointment of Shri Madhusudan Agarwal and Smt. Pravin Tripathi as Independent Director(s) and for appointment of Shri Satish Kumar Agarwal, Shri Sunil Kumar Agarwal and Shri Sachin Agarwal as Managing/Whole-Time Director, proposing candidature for appointment/re-appointment for the office of Director of the Company;

- b) Consent to act as director of the Company, in the Stipulated form DIR-2;
- c) Disclosure in terms of Section 164 of the Companies Act, 2013, in form DIR-8, stating that they are not disqualified for holding office of Director in the Company;
- d) Declaration from Shri Madhusudan Agarwal and Smt. Pravin Tripathi, that they fulfil and continue to fulfils the criteria of Independence as stated under Companies Act, 2013 and SEBI Listing Regulations.

During the year under review, Shri Ashish Kapil, Company Secretary and Compliance Officer of the Company has resigned from Company with effect from 4<sup>th</sup> April, 2021 and Shri Khem Chand, was appointed as the Company Secretary and Compliance Officer (Key Managerial Personnel) of the Company with effect from 9<sup>th</sup> August, 2021. He has also been designated as Nodal officer of the Company with effect from the said date under IEPF rules.

Shri Ramesh Chandra Jain (DIN: 00089854) was re-appointed as Independent Director of the Company for a second terms of 2 consecutive years w.e.f 2<sup>nd</sup> May, 2021 by the Shareholders of the Company at the 27<sup>th</sup> AGM of the Company held on 27<sup>th</sup> day of September, 2021, by way of Special Resolution.

Due to sudden and unexpected demise, the office of Shri Mahendra Kumar Doogar (DIN: 0031904) as Independent Director of the Company, has been vacated with effect from 4<sup>th</sup> May, 2021.

All the Independent Directors have given their declaration confirming that they meet the criteria of independence as prescribed Regulation 16(1)(b) 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 and in compliance with the Circulars dated 20<sup>th</sup> June, 2018 issued NSE and BSE, 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.

## **DIRECTORS' REPORT** (Contd.)

Presently, in terms of the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company are Shri Satish Kumar Agarwal, Chairman and Managing Director, Shri Sunil Kumar Agarwal and Shri Sachin Agarwal, Whole Time Directors of the Company, Shri Harish Kumar Agarwal, Chief Financial Officer and Shri Khem Chand, Company Secretary and Compliance Officer of the Company.

### **12. COMPANY'S POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS**

Based on the recommendations of the Nomination & Remuneration Committee (**NRC**), the Board has approved the Nomination & Remuneration Policy for Directors, Key Managerial Personnel (**'KMPs'**) and Senior Management Personnel of the Company. As part of the policy, the Company strives to ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully and also the relationship between remuneration and performance is clear and meets appropriate performance benchmarks. The Company's Policy for the appointment of Directors and KMPs and Senior Managerial Personnel and their Remuneration policy can be accessed on the Company's website at the web-link [https://www.kamdhenulimited.com/Financial-Results/Nomination-Remuneration-Policy\\_Kamdhenu.pdf](https://www.kamdhenulimited.com/Financial-Results/Nomination-Remuneration-Policy_Kamdhenu.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 (including sitting fees) for directors including Independent Directors, KMPs and senior management personnel, are 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 which seeks to ensure that depending upon the nature, quantum, importance and intricacies of the responsibilities and functions being discharged as 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.

In remunerating the Directors (in the case of executive directors), KMPs and Senior Management Personnel, meticulous planning and hard work goes into, while drawing up the remuneration packages, and it was ensured that the adequate compensation has been paid to the persons chosen, in line with the market standards and prevailing economic scenario and does not lead to any unfairness or imbalances in the overall remuneration structure of the Company across different hierarchical levels.

### **13. MEETINGS OF THE BOARD OF DIRECTORS.**

During the year under review, 4 (Four) meetings of the Board of Directors of the Company were held. The details as to the dates of such meetings and the attendance of various directors of the Company thereat, 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 19<sup>th</sup> January, 2022, with the participation of all Independent Directors of the Company at the meeting.

### **14. CORPORATE GOVERNANCE**

The Company since inception endeavors to follow corporate governance guidelines and best practices sincerely and disclose the same transparently. The Board is conscious of its inherent responsibility to disclose timely and accurate information on the Company's operations, performance, material corporate events as well as on leadership and governance matters relating to the Company.

Pursuant to the applicable regulation of SEBI Listing Regulations read with Schedule V thereto, a detailed report on Corporate Governance is included in this Annual Report. A Certificate certifying the Company's compliance with the requirements of Regulations as set out in the SEBI Listing Regulations, taken from M/s. Chandrasekaran Associates, Practicing Company Secretaries, is attached to the report on Corporate Governance.

### **15. BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT**

The Company's management is always committed for pursuing their both the businesses i.e. Steel and Paint Business in an ethical and transparent manner



## DIRECTORS' REPORT (Contd.)

and Company believes in demonstrating responsible behavior while adding value to the society and the community, as well as ensuring environmental well-being from a long-term perspective.

In Compliance of Regulation 34(2)(f) of the SEBI Listing Regulations, the Business Responsibility Report (BRR) of the Company, describing the initiatives taken by the Company from Environmental, Social and Governance perspective is being presented to the stakeholders and forms part of this Annual Report.

### 16. MANAGEMENT DISCUSSION & ANALYSIS (MDA)

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 Annual Report.

### 17. 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 (Whistle Blower) Mechanism and formulated a Policy in order to provide, a formal channel for 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 behavior, 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. This policy also includes 'reporting of incidents of leak or suspected leak of Unpublished Price Sensitive Information ('UPSI')' as required in terms of the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended.

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 [www.kamdhenulimited.com](http://www.kamdhenulimited.com/Financial-Results/Whistle-Blower-Policy_Kamdhenulimited.com) at the link [https://www.kamdhenulimited.com/Financial-Results/Whistle-Blower-Policy\\_Kamdhenulimited.com](https://www.kamdhenulimited.com/Financial-Results/Whistle-Blower-Policy_Kamdhenulimited.com)

### 18. RISK MANAGEMENT POLICY

Pursuant to the Regulation 21 of the SEBI Listing Regulations, as amended upto date and in compliance of recent amendment as notified by SEBI vide SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2021, the Board of Directors of the Company at their meeting held on 21<sup>st</sup> June, 2021 has constituted a Risk Management Committee, inter-alia to oversee implementation of the Risk Management Policy in force in the Company, and monitor and evaluate risks, prepare the mitigation plan, on the basis of appropriate methodology, processes and systems.

The Risk Management Policy, has been drawn up based on a detailed assessment of the internal and external risk specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks, risks associated with the Steel and Paint business of the Company and also the risks which could emanate from un-anticipated and unprecedented situations, like for example the recent outbreak of Corona Pandemic and how to deal with the such risks.

The Risk Management Policy also covers the risks related to the Company assets and property, 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, Foreign Exchange related risks, risks which could emanate from business competition, contractual risks etc.

The policy has been uploaded on the website of the Company and can be accessed at the web link [https://www.kamdhenulimited.com/Financial-Results/Risk\\_Management\\_Policy.pdf](https://www.kamdhenulimited.com/Financial-Results/Risk_Management_Policy.pdf)

### 19. INTERNAL FINANCIAL CONTROLS SYSTEMS & THEIR ADEQUACY

As per Section 134(5)(e) of the Act, the Directors have an overall responsibility for ensuring that the Company has implemented a robust system and framework of



## **DIRECTORS' REPORT** (Contd.)

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. 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, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures. The Company's framework also includes entity-level policies, processes controls, IT general controls and Standard Operating Procedures (SOPs). The entity-level policies include code of conduct, conflict of interest, confidentiality and whistle blower policy and other policies such as organization structure, insider trading policy, HR policy, IT security policy.

These internal controls are, on yearly basis, reviewed by Auditors and the Audit Committee of the Company. The Company has carried out evaluation of design and effectiveness of these controls and has noted no significant material weaknesses or deficiencies was found that can impact financial reports.

### **20. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS/TRIBUNALS**

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. The National Faceless Assessment Centre, Delhi has completed the Income tax Assessment for the AY 2018-19, on 24<sup>th</sup> September, 2021 under Section 143(3) Read with Section 144B of the Income Tax Act, 1961 and in terms of the said assessment a demand notice by the Income Tax department under Section 156 of the Act was issued for an amount of ₹ 7,09,83,037/-. However, the Company has made an appeal to the said demand notice before the Commissioner of Income Tax (Appeal) on 24<sup>th</sup> October, 2021 which is under process.

### **21. 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 31<sup>st</sup> March, 2022, is placed on the website of the Company at <https://www.kamdhenulimited.com/annual-return.php>

### **22. DECLARATION BY INDEPENDENT DIRECTORS**

The Company has 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.

In opinion of the Board, there has been no change in the circumstances which may affect their status as Independent Directors of the Company and the Board is satisfied of the integrity, expertise and experience (including the proficiency) of all the Independent Directors on the Board.

### **23. FAMILIARIZATION PROGRAMME FOR THE INDEPENDENT DIRECTORS**

With an aim to provide insights into the Company to enable the Independent Directors to understand its business in depth and contribute significantly, a familiarization program has been designed for the Independent Directors. Pursuant to Regulation 25(7) of SEBI Listing Regulation, the Company makes detailed presentations to the Board including Independent Directors, on the Company's operation and business plans, the nature of industry in which Company



## DIRECTORS' REPORT (Contd.)

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.

The Independent Directors are made aware with their duties, role, responsibilities and liabilities 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.

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 exercise for Independent Directors of the Company was carried out on 19<sup>th</sup> January, 2022, 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.kamdhenulimited.com/Financial-Results/Familiarisation-Programme-for-Independent-Directors\\_Kamdhenu.pdf](https://www.kamdhenulimited.com/Financial-Results/Familiarisation-Programme-for-Independent-Directors_Kamdhenu.pdf)

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

In compliance with the requirement of the Companies Act, 2013 and the SEBI Listing Regulations, as amended from time to time, the Board of Directors on annual basis evaluates the functioning of the Board, its Committees, Chairman and of the Individual 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.

The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on 5<sup>th</sup> January, 2017 & by ICSI.

The Chairman of the Company had one-to-one meeting with the Independent Directors and the Chairman of Nomination & Remuneration Committee had one-to-one meeting with the Executive and Non-Executive, Directors. These meetings were intended to seek inputs from all the directors on functioning/ effectiveness of the Board / Committee compositions and structure, effectiveness of Board/Committee processes, information and functioning etc and to provide feedback individually.

In a separate meeting of the Independent Directors, 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 other Directors.

The Nomination and Remuneration Committee reviewed the performance of the individual directors and the Board as a whole. In the Board meeting that followed the meeting of the Independent Directors and the meeting of the NRC, the performance of the Board, its Committees, and individual directors were discussed.

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.

### 25. STATUTORY AUDITORS & THEIR REPORT

M/s B S D & Co., Chartered Accountants (Registration no.: 000312S), Auditors of the Company, having in compliance with the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, been appointed as the Statutory Auditors of the Company by the Shareholders of the Company at their Annual General Meeting held on 29<sup>th</sup> September 2017, for a period of 5 consecutive years, so as to hold office as such from the conclusion of the 23<sup>rd</sup> Annual General Meeting till the conclusion of the 28<sup>th</sup> Annual General Meeting, continue as the

## DIRECTORS' REPORT (Contd.)

Auditors of the Company for the FY 2021-2022. The current tenure of M/s BSD & Co. Chartered Accountants, will expire at the conclusion of the ensuing 28<sup>th</sup> Annual General Meeting. It would be pertinent to mention here that the M/s B S D & Co. Chartered Accountants, has showed their unwillingness for being appointed as Statutory Auditor for the second consecutive term of 5 years. Accordingly, the Company has approached M/s S.S. Kothari Mehta & Co. Chartered Accountants (Firm Registration No.000756N), for their appointment as Statutory Auditors of the Company for a period of 5 (Five) years, for the FY 2022-23 to 2026-27, so as to hold office from the conclusion of this 28<sup>th</sup> AGM till the conclusion of 33<sup>rd</sup> AGM of the Company. M/s S.S. Kothari Mehta & Co. Chartered Accountants, have submitted their consent for appointment and also a requisite certificate, pursuant to the provisions of Section 139 & 141 of the Companies Act, 2013, confirming eligibility & satisfaction of criteria for their appointment as Statutory Auditors of the Company.

Upon the recommendation of Audit Committee, the Board recommends the appointment of M/s S.S. Kothari Mehta & Co. Chartered Accountants, at the ensuing 28<sup>th</sup> Annual General Meeting for the approval of the Members of the Company. The necessary resolution seeking the approval for their appointment as the Statutory Auditors has duly been included in the notice of the ensuing 28<sup>th</sup> Annual General Meeting along with brief credentials and other necessary disclosures required under the Act and the Regulations.

The report of the M/s B S D & Co., Chartered Accountants (Registration no.: 000312S), Statutory Auditors on Standalone & Consolidated Financial Statements for the FY 2021-22 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 has 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.

### 26. SECRETARIAL AUDITORS AND THEIR REPORT

Pursuant to the provisions of Section 204 of the Act and rules made thereunder the Board of Directors and Regulation 24A of SEBI Listing Regulations

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 31<sup>st</sup> March, 2022.

The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2022 is annexed to this Annual Report as **Annexure-A** and does not contain any qualification, reservation, disclaimer or adverse remark.

### 27. COST AUDITORS AND THEIR REPORT

In terms of the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is required to maintain cost records and have the audit of its cost records conducted by a Cost Accountant for its steel division. Cost records are prepared and maintained by the Company for its steel division as required under Section 148(1) of the Act.

The Board of Directors, based on the recommendation of the Audit Committee, has appointed M/s K. G. Goel & Associates, Cost Accountant as Cost Auditors for the FY 2022-23, on a remuneration as, mentioned in the notice of 28<sup>th</sup> AGM.

A Certificate from M/s K. G. Goel & Associates, Cost Accountants has been received to the effect that their appointment as Cost Auditor of the Company, if made, would be in accordance with the limits specified under Section 141 of the Act and Rules framed thereunder.

The Cost Audit Report for FY 2021-22, does not contain any qualification, reservation, disclaimer or adverse remark. A resolution seeking Member's ratification for the remuneration payable to the Cost Auditor forms part of the Notice of 28<sup>th</sup> AGM and the same is recommended for your consideration and ratification.

During the year under review, the Cost Auditors did not report any matter under Section 143(12) of the Act, therefore no detail is required to be disclosed under Section 134(3)(ca) of the Act.

### 28. COMMITTEES OF THE BOARD OF DIRECTORS

As on date of report, the Board of Directors has constituted 7 (Seven) committees, namely,

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



## DIRECTORS' REPORT (Contd.)

- Corporate Social Responsibility Committee
- Management Committee
- Preferential Allotment Committee

Details of composition of the Committees and the number of meetings held and attendance of various members at such meetings are provided in the Corporate Governance Report, which forms part of this Report.

### 29. AUDIT COMMITTEE

As at 31<sup>st</sup> March, 2022 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 Chairman of the Committee and Shri Ramesh Chand Surana and Shri Ramesh Chandra Jain, Independent Directors and Shri Sunil Kumar Agarwal, Whole-time Director are the other members of the Committee. All the recommendations made by the Audit Committee, as to various matters, during the year under review, were accepted by the Board. 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 Corporate Governance Report, which forms a part of this Annual Report.

### 30. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The objective of the Company's Corporate Social Responsibility initiatives is to improve the quality of life of communities through long-term value creation for all stakeholders and society at large. Towards fulfilling its moral responsibility for the welfare and wellbeing of Society and in compliance with the requirements of the Companies Act, 2013, the Company has in place, a well-defined and well structured, Corporate Social Responsibility Policy (CSR Policy) as drawn up by the Corporate Social Responsibility Committee ("CSR Committee") and approved by the Board. The said Policy on Corporate Social Responsibility has been hosted on the website of the Company at <https://www.kamdhenulimited.com/Financial-Results/CORPORATE-SOCIAL-RESPONSIBILITY-POLICY.PDF>.

Presently, the CSR Committee of the Company consists of three directors namely Shri Satish Kumar Agarwal, Chairman and Managing Director as Chairman of the Committee and Shri Sunil Kumar Agarwal, Whole-time

Director and Smt. Pravin Tripathi, Independent Director as other members of the CSR Committee. Further, after the closure of the financial year Smt Nishal Jain, has resigned from the Directorship of the Company and consequent upon her resignation ceased to be the member of the CSR Committee w.e.f 31<sup>st</sup> May, 2022 and Smt. Pravin Tripathi was inducted as Independent Director on the Board of the Company and also appointed as member of the CSR Committee w.e.f 30<sup>th</sup> May, 2022.

The Committee has been formed with the objective of implementing and monitoring the CSR Policy of the Company under the control and supervision of the Board of Directors. The Company has launched a new drive with the name and style "Green India" where in more than 12000 dealers and distributors are motivated to plant at least 5 saplings each year and nurture them to complete growth. In addition to the above initiative taken by the Company the other CSR programs were primarily implemented through Kamdhenu Jeevandhara Foundation, which mainly focus on the providing the basic education to unprivileged children and to organize camps, motivational programs, special skills for the differently abled person, across the country, in association with other social organizations.

During the year under review, the Company was required to spend ₹ 36,79,707/- on CSR activities for the FY 2021-22, out of which ₹ 2,50,000/- was spent on activities as specified in clause III of Schedule VII i.e. by making contribution towards old age home and a rescue center set up by Earth Saviour Foundation (NGO) and for the remaining amount which was ₹ 34,29,707/- transferred to unspent CSR account, which shall be utilized on the on-going CSR project of the Company i.e. setting up Educational and Medical facilities at Bhiwadi, Rajasthan which could provide the benefit to the society at large. It may be noted that for setting up an on-going project at Bhiwadi, Rajasthan, the Company has made an application for allocation of land to Rajasthan State Industrial Development and Investment Corporation Limited (RIICO), at concessional rate which later on was rejected by the RIICO. Accordingly, the Company has made a revised application for allocation of land on reserved price, which at present is under examination. As the Company since its inception committed towards fulfilling its social and environmental responsibility, the said unspent CSR amount which was transferred into Unspent CSR Account will be fully utilized upon the allocation of land by RIICO.

## DIRECTORS' REPORT (Contd.)

The Annual Report on CSR activities, in terms of Section 135 of the Companies Act, 2013 ('the Act') and the Rules framed thereunder, is annexed as an **Annexure-B**, to this report

### 31. COMPLIANCE WITH THE SECRETARIAL STANDARDS

During the year under review, the Company has complied with all applicable Secretarial Standards as stipulated by the Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs (MCA).

### 32. 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 for the FY 2021-2022, has been duly paid.

### 33. 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-C** and forms part of this Report.

### 34. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURE

Your Company considers people as its biggest assets. It has put concerted efforts in talent management and succession planning practices, strong performance management and learning and training initiatives to ensure that your Company consistently develops inspiring, strong and credible leadership and the Company has and will always focus that young talent is nurtured and mentored consistently and the rewards and recognition are commensurate with their performance and that employees have the opportunity to develop and grow themselves.

The statement of Disclosure of Remuneration under Section 197(12) of the Act and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ('Rules'), is annexed as **Annexure-D** and forms an integral part of this Report.

### 35. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The Securities and Exchange Board of India vide its sixth amendments dated 9<sup>th</sup> November, 2021 had made amendments in Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**") which were effective from 1<sup>st</sup> April, 2022. 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 Rules 6A and Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended upto date, Board of Directors has in their meeting held on 2<sup>nd</sup> February, 2022, has updated and formed meticulously 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://www.kamdhenulimited.com/Financial-Results/Policy-for-determining-the-material-RPT\\_Amended-02022022.pdf](https://www.kamdhenulimited.com/Financial-Results/Policy-for-determining-the-material-RPT_Amended-02022022.pdf)

During the year under review all the related party transactions entered into by the Company were with made 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 detail of such transactions have been adequately described in the Note No.48 to the financial statements of the Company for the FY 2021-22, which form a part of the Annual Report.

During the year under review, the Company has not entered into any such transactions except as stated in the Financial Statements, with any person or entity belonging to the Promoters/Promoter group, which holds (alone or together) 10% or more of the shareholding in the Company, during the FY 2021- 22, without consent of the members.

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



## DIRECTORS' REPORT (Contd.)

required to be reported in Form AOC-2 annexed as an **Annexure-E** as per the Section 134(3)(h) read with Section 188(2) of the Companies Act, 2013.

### 36. SUBSIDIARY, JOINT VENTURES OR ASSOCIATE COMPANIES

As on 31<sup>st</sup> March, 2022 the Company has 3 subsidiary Companies namely Kamdhenu Ventures Limited, Kamdhenu Colour and Coatings Limited and Kamdhenu Jeevandhara Foundation (Section-8 Company). During the year under review, the Company does not have any Joint venture or associate company

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 Statement along with all its subsidiaries, in the same form and manner, as that of the Company, which shall be laid before its ensuing AGM along with its Standalone Financial Statement. The Consolidated Financial Statements of the Company along with its subsidiaries, for the year ended 31<sup>st</sup> March, 2022, forms part of this Annual Report.

Each quarter, the Audit Committee reviews the unaudited/ audited financial statements of subsidiary companies. Further, the committee periodically reviews the performance of subsidiary companies. The minutes of the board meetings of the unlisted subsidiary companies of the Company and significant transactions and arrangements, if any, entered into by all the unlisted subsidiary companies are placed before the board on a quarterly basis. The board is periodically apprised of the performance of subsidiary companies, including material developments, if any.

For the performance and financial position of each of the subsidiaries of the Company, included in its Consolidated Financial Statements, the Members are requested to refer to Note No. 53 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 statement of subsidiary has been attached as **Annexure-F** 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://www.kamdhenulimited.com/subsidiary-financials.php>

### 37. HUMAN RESOURCES MANAGEMENT

The value of human assets has impact on all critical business decisions and its utilization directly affects the ability of the organizational assets to realize their optimum value. The Company's human resource strategy is formulated considering people as its most valuable asset. Your Company puts best efforts in talent acquisition, talent retention, performance management and learning and training initiatives to ensure that your Company consistently develops inspiring, strong and credible human resource. 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.

### 38. PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE

The Company since inception, ensures gender equality and the right to work with dignity to all employees (permanent, contractual, temporary and trainees) of the Company and has been following a zero tolerance against sexual harassment of any person at workplace and 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 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, Prohibition and Redressal) Act, 2013.

## DIRECTORS' REPORT (Contd.)

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 during the year under review.

### 39. CHANGE IN NATURE OF BUSINESS

During the year under review there was no change in nature of business of the Company.

### 40. 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://www.kamdhenulimited.com/Financial-Results/Code-of-Conduct-for-Senior-Management-Persinnel\\_Kamdhenu.pdf](https://www.kamdhenulimited.com/Financial-Results/Code-of-Conduct-for-Senior-Management-Persinnel_Kamdhenu.pdf)

### 41. DECLARATION BY THE CHAIRMAN & MANAGING DIRECTOR

Shri Satish Kumar Agarwal, Chairman and Managing Director hereby affirm and declared 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.

### 42. RELATIONSHIP BETWEEN DIRECTORS INTER-SE

Shri Satish Kumar Agarwal, Chairman & Managing Director and Shri Sunil Kumar Agarwal and Shri Sachin Agarwal, Whole Time Directors and Shri Saurabh 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.

\*Shri Saurabh Agarwal, was re-designated as Non-Executive & Non-Independent Director of the Company w.e.f 1<sup>st</sup> June, 2022.

### 43. 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 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



## DIRECTORS' REPORT (Contd.)

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 2021-2022.

### 44. 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

### 45. 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.

### 46. 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 FY 2021-22 and Notice of the 28<sup>th</sup> Annual General Meeting are being sent to all members electronically, whose e-mail addresses are registered with the Company/ Depository Participant(s).

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 28<sup>th</sup> AGM.

### 47. 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 OF  
KAMDHENU LIMITED**

**(Satish Kumar Agarwal)**

Chairman & Managing Director  
DIN: 00005981

**(Sunil Kumar Agarwal)**

Whole Time Director  
DIN: 00005973

**Date:** 30<sup>th</sup> May 2022

**Place:** Gurgaon



## ANNEXURE A

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2022**  
**[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies**  
**(Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To,  
 The Members  
**Kamdhenu Limited**  
 2<sup>nd</sup> Floor, Tower-A, Building No-9A  
 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 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 31<sup>st</sup> March, 2022 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 31<sup>st</sup> March, 2022 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 and Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 prior to its repealment to the extent applicable; **Not Applicable.**
- e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 prior to its repealment; **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.
  - (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").



## ANNEXURE A (Contd.)

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

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 Company has altered Memorandum of Association of the Company by way of increase in Authorized Share Capital of the Company from existing ₹ 30,00,00,000/- (Rupees Thirty Crores only) divided into 3,00,00,000 (Three Crores) Equity Shares of ₹ 10/- (Rupees ten only) each to ₹ 41,50,00,000/- (Rupees Forty One Crores Fifty Lakhs only) divided into 3,00,00,000 (Three Crores) Equity Shares of ₹ 10/- each and 1,15,00,000 (One Crore Fifteen Lakhs) Preference Shares of ₹ 10/- (Rupees ten only) each.
2. The Company has convened a separate meetings of the Equity Shareholders, Secured Creditors and Unsecured Creditors of Kamdhenu Limited on 25<sup>th</sup> September, 2021, as directed by the Hon'ble National Company Law Tribunal, Chandigarh Bench vide its Order dated 4<sup>th</sup> August, 2021 for the purpose of considering and approving the Scheme of Arrangement 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, Kamdhenu Limited, Kamdhenu Ventures Limited and Kamdhenu Colour and Coatings Limited and their respective shareholders and creditors under Sections 230 to 232 read with Section 66 of the Companies Act, 2013

For **Chandrasekaran Associates**

Company Secretaries

FRN: P1988DE002500

Peer Review Certificate No.: 1428/2021

**Shashikant Tiwari**

Partner

Membership No. F11919

Certificate of Practice No. 13050

UDIN:F011919D000384051

Date : 30<sup>th</sup> May, 2022

Place : Delhi

### Note:

1. This report is to be read with our letter of even date which is annexed as Annexure I and forms an integral part of this report.
2. Due to restricted movement amid COVID-19 pandemic, we 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 March 31, 2022 pertaining to Financial Year 2021-22.

## ANNEXURE I

To,

The Members

**Kamdhenu Limited**

2<sup>nd</sup> Floor, Tower-A, Building No- 9A

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

**Shashikant Tiwari**

Partner

Membership No. F11919

Certificate of Practice No. 13050

UDIN: F011919D000384051

Date : 30<sup>th</sup> May, 2022

Place : Delhi



## ANNEXURE-B

### CSR ACTIVITIES

[Pursuant to clause (o) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

#### 1. Brief outline on CSR Policy of the Company:

The objective of the Company's Corporate Social Responsibility initiatives is to improve the quality of life of communities through long-term value creation for all stakeholders and society at large. Towards fulfilling its moral responsibility for the welfare and wellbeing of Society and in compliance with the requirements of the Companies Act, 2013, The Company has in place, a well-defined and well structured, Corporate Social Responsibility Policy (CSR Policy) as drawn up by the Corporate Social Responsibility Committee ("CSR Committee") and approved by the Board.

Our CSR Policy aims to make a meaningful and lasting impact in the lives of CSR beneficiaries in alignment with the nation building priorities. The Company's CSR activities are guided by the CSR Committee. All the projects are reviewed by the CSR Committee as well as Board of Directors on regular basis.

The Company's CSR policy is uploaded on the website of The Company under the web-link <https://www.kamdhenulimited.com/Financial-Results/CORPORATE-SOCIAL-RESPONSIBILITY-POLICY.PDF>.

#### 2. Composition of CSR Committee:

During the year, under review, there were two meetings of CSR Committee were held on 21<sup>st</sup> June, 2021 and 2<sup>nd</sup> February, 2022.

Presently, CSR Committee comprises and the meeting attended by the members during FY22, is depicted below:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Shri Satish Kumar Agarwal	Chairman	2	2
2.	Shri Sunil Kumar Agarwal	Member	2	2
3.	Smt. Nishal Jain*	Member	2	2
4.	Smt. Pravin Tripathi**	Member	-	-

\* Smt Nishal Jain ceased to be Independent Director of The Company and member of CSR Committee w.e.f 31<sup>st</sup> May, 2022.

\*\* Smt Pravin Tripathi was appointed as Independent Director and member of CSR Committee w.e.f 30<sup>th</sup> May, 2022.

#### 3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of The Company.

The composition of the CSR Committee	<a href="https://www.kamdhenulimited.com/about.php#boardcommittees">https://www.kamdhenulimited.com/about.php#boardcommittees</a>
CSR Policy:	<a href="https://www.kamdhenulimited.com/Financial-Results/CORPORATE-SOCIAL-RESPONSIBILITY-POLICY.PDF">https://www.kamdhenulimited.com/Financial-Results/CORPORATE-SOCIAL-RESPONSIBILITY-POLICY.PDF</a>
CSR Projects as approved by the Board:	<a href="https://www.kamdhenulimited.com/investor-info.php">https://www.kamdhenulimited.com/investor-info.php</a>

#### 4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).

Not Applicable.

#### 5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any.

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in Lakhs)	Amount required to be set-off for the financial year, if any (in Lakhs)
1.	FY 2018-19	-	-
2.	FY 2019-20	-	-
3.	FY 2020-21	0.67	0.67

## ANNEXURE-B (Contd.)

### 6. Average net profit of The Company as per section 135(5): 1839.85 Lakhs

7. (a)	Two % of average net profit of The Company as per section 135(5)	₹ 36.80 Lakhs
(b)	Surplus arising out of the CSR projects or programs or activities of the previous financial years.	-
(c)	Amount required to be set off for the financial year, if any	-
(d)	Total CSR obligation for the financial year (7a+7b-7c).	₹ 36.80 Lakhs

### 8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹ Lakhs)	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per Section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount	Date of transfer.
₹ 2.50 Lakhs	34.30 Lakhs	22 <sup>nd</sup> April, 2022	NA	NA	NA

### (b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project.		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year	Amount transferred to Unspent CSR Account for the project as per Section 135(6)	Mode of Implementation - Direct (Yes/No)		
				State	District					Name	CSR Registration number	
1	Kamdhenu Jeevandhara Foundation for carrying out Education and Skill Development program and also medical facilities	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects	Yes	Delhi - NCR	Alwar - Rajasthan	Gurugram - Haryana	3 years	300 Lakhs	-	34.30 Lakhs	Kamdhenu Jeevandhara Foundation	CSR00002398

**ANNEXURE-B** (Contd.)**(c) Details of CSR amount spent against other than ongoing projects for the financial year:**

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project.		Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹).	Mode of Implementation - Direct (Yes/No)	
				State	District			Name	CSR Registration number
1.	Contribution made towards Old age home and a rescue centre set up under the banner dedicated staff of Earth Saviour Foundation (NGO).	Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups	Yes	Haryana	Gurgaon	2.50 Lakhs	-	Earth Saviours Foundation	CSR00002026

(d) Amount spent in Administrative Overheads :	Nil
(e) Amount spent on Impact Assessment, if applicable:	Not applicable
(f) Total amount spent for the Financial Year (8b+8c+8d+8e):	2.5 Lakhs
(g) Excess amount for set off, if any:	Nil

Sl. No.	Particular	Amount (₹ in Lakhs.)
i.	Two % of average net profit of The Company as per section 135(5)	36.80 Lakhs
ii.	Total amount spent for the Financial Year	2.5 Lakhs
iii.	Excess amount spent for the financial year [(ii)-(i)]	Nil
iv.	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	-
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

**9. (a) Details of Unspent CSR amount for the preceding three financial years:**

Sr. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6)	Amount spent in the reporting Financial Year	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years
				Name of the Fund	Amount	Date of transfer.	
1.	FY 2020-21	-	-	-	-	-	-
2.	FY 2019-20	-	-	-	-	-	-
3.	FY 2018-19	-	-	-	-	-	-
	<b>Total</b>						

## ANNEXURE-B (Contd.)

**(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):**

Sr. No.	Project ID.	Name of the Project	Financial Year in which the project was commenced	Project duration.	Total amount allocated for the project (in Lakhs).	Amount spent on the project in the reporting Financial Year (in ₹).	Cumulative amount spent at the end of reporting Financial Year. (in Lakhs)	Status of the project - Completed /Ongoing.
1.	FY 31.03.2021_1	Contribution to Kamdhenu Jeevandhara Foundation for carrying out Education and Skill Development program and also medical facilities	FY 2021-22	3 years	300 Lakhs	-	22.35	Ongoing
<b>Total</b>								

**10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year**

(a) Date of creation or acquisition of the capital asset(s).	None
(b) Amount of CSR spent for creation or acquisition of capital asset.	Nil
(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Not Applicable
(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	Not Applicable

**11. Specify the reason(s), if The Company has failed to spend two % of the average net profit as per section 135(5).**

During the year under review, The Company was required to spend ₹ 36,79,707/- on CSR activities for the financial year FY 2021-22, out of which ₹ 2,50,000/- was spent on activities as specified in clause III of Schedule VII i.e. by making contribution towards old age home and a rescue centre set up by Earth Saviour Foundation (NGO) and the remaining amount of ₹ 34,29,707/- was transferred to Unspent CSR account, which shall be utilized on the on-going CSR project of the Company i.e. setting up Educational and Medical facilities at Bhiwadi, Rajasthan which could provide the benefit to the society at large. It may be noted that for setting up an on-going project at Bhiwadi, Rajasthan, the Company has made an application to the Rajasthan State Industrial Development and Investment Corporation Limited (RIICO) for allocation of land at concessional price, for setting up the ongoing project at Bhiwadi, Rajasthan which has been rejected by the RIICO by stating the reason as some of internal requirements for allocation had not been fulfilled. Accordingly, the revised application for allocation of land has been made on reserved price to the RIICO and the same is under examination. As the Company since its inception committed towards fulfilling its social and environmental responsibility, the said unspent CSR amount which was transferred into Unspent CSR Account shall be fully utilized upon the allocation of land by RIICO.

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

**Satish Kumar Agarwal**

DIN: 00005981

Chairman & Managing Director  
(Chairman of CSR Committee)

**Sunil Kumar Agarwal**

DIN: 00005973

Whole Time Director  
(Member of CSR Committee)

Date: 30<sup>th</sup> May, 2022

Place: Gurgaon



## ANNEXURE-C

### 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	The Company has taken all its possible measures to conserve energy. As an ongoing process, the following measures are undertaken: <ul style="list-style-type: none"> <li>- Conventional LCD Bulbs and Tube Lights of Plants and Corporate Office Areas are replaced with LED Bulbs, CFL and LED Tube Lights.</li> <li>- Shutting of all the lights when not in use and use of LED lights.</li> <li>- Installation of RO for recycle of water.</li> <li>- Use of smart wireless controller in AC for reducing power consumption and</li> <li>- Alternate Fuel-Use of Natural Gas/LNG/PNG instead of High-Speed Diesel.</li> <li>- Training front end operational personnel on opportunities of energy conservation.</li> </ul>
(ii)	Utilizing Alternate Sources of Energy	-
(iii)	the capital investment on energy conservation equipment's.	-

#### (B) TECHNOLOGY ABSORPTION

(i)	Technology Absorption	<p>The primarily focus of the management is to develop a new technology platform, new chemistries for futuristic product development so as to launch innovative products in the market.</p> <p><b>Kamdhenu PAS10000 :</b> Kamdhenu PAS10000 is a unique innovative rib pattern alloy steel made up of elements like Chromium, Cobalt, Manganese, Molybdenum, Nickel, Tungsten, Vanadium etc., for ultra-strong grip with concrete in terms of greater rib depth/height and closer rib spacing at different angles. The load-bearing capacity of Kamdhenu PAS10000 is 28% higher as compared to normal steel. PAS10000 goes through different stages such as Bond Strength, Weldability, Corrosion Resistance, High Temperature Resistances, Degradation of Steel, Compatibility with high seismic zones Wind Load etc.</p> <p><b>Kamdhenu Nxt:</b> The Next Generation Interlock Steel in April, 2017. Kamdhenu Nxt has got the angular double rib design whose CNC notch cutting machine ensure uniform rib pattern which allows uniform bonding with concrete for the whole structure. Due to uniformity and critically designed ribs, fatigue strength and ductility of Kamdhenu Nxt is much superior to ordinary steel bars.</p> <p><b>Kamdhenu Paints: Dil Ke Rang Deewaron Pe</b></p> <p>Kamdhenu Paints are the revolutionary products that improve health and hygiene of the surfaces and sets benchmark by keeping in mind aspects of Green Assure and sustainable product. The Company has started encouraging the use of data analytics and artificial intelligence to predict design features, derive new insights and opportunities for innovation for their paint division.</p> <p>Company's Paint Products viz Kamo Hi-Sheen, Kamodual, Kamo Shield, Kamo Power are 100% acrylic latex paint with high sheen, high scrub resistance, best washability, superior adhesion &amp; stain and water resistant. They also protect the exterior &amp; interior walls from dampness, algae and fungal caused by lashing rain.</p>
-----	-----------------------	--



## ANNEXURE-C (Contd.)

(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	The Company continued the initiatives under breakthrough methodology by taking up theme <b>DIL KE RANG DEEWARON PE</b> through which Company has developed more than Ten (10) products/variants from architectural paints, construction chemicals and adhesives which included Exterior & Interior Emulsions, Cement Paints, Water based Primers, Acrylic Distempers, Synthetic & GP Enamel, Solvent based Primers, Wood Finishes, Aluminum Paints and Textured to Designer Finishes. The Company's focus on reducing carbon footprint through design optimization and process efficiency with no compromise in quality and Standards.
(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 (FY 2021-22)	Previous Year (FY 2020-21)
Inflow	Nil	Nil
Outflow	Nil	7.83

BY ORDER OF THE BOARD OF DIRECTORS OF  
KAMDHENU LIMITED

(Satish Kumar Agarwal)

(Sunil Kumar Agarwal)

Date: 30<sup>th</sup> May, 2022

Chairman & Managing Director

Whole Time Director

Place: Gurgaon

DIN: 00005981

DIN: 00005973



## ANNEXURE-D

### PARTICULARS OF REMUNERATION

#### 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 31<sup>st</sup> March, 2022.**

Sr. No.	Name of Director	Designation	Remuneration of Director/KMP for FY 2021-22	Ratio of Remuneration of each Director/ to median remuneration of employees**
1.	Shri Satish Kumar Agarwal	Chairman & Managing Director	229 Lakhs	60.05:1
2.	Shri Sunil Kumar Agarwal	Whole Time Director	226 Lakhs	59.26:1
3.	Shri Saurabh Agarwal	Whole Time Director***	223 Lakhs	58.47:1
4.	Shri Sachin Agarwal	Whole Time Director	223 Lakhs	58.47:1
5.	Shri Madhusudan Agarwal	Independent Director	5.2 Lakhs*	NA
6.	Shri Ramesh Chand Surana	Independent Director	4.5 Lakhs*	NA
7.	Smt. Nishal Jain	Independent Director****	3.8 Lakhs*	NA
8.	Shri Ramesh Chandra Jain	Independent Director	5.4 Lakhs*	NA

\* Sitting Fees for the meeting attended during the FY 2021-22.

\*\*Median Salary (Annual) of employees for the Financial Year FY 2021-22 is ₹ 3,81,360 /-.

\*\*\* Shri Saurabh Agarwal was re-designated as Non-Executive, Non-Independent Director of The Company w.e.f 1<sup>st</sup> June, 2022.

\*\*\*\* Smt. Nishal Jain ceased to be the Independent Director w.e.f 31<sup>st</sup> May, 2022.

- b. **The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year ended 31<sup>st</sup> March, 2022.**

Sr. No.	Name of Director/ KMP	Designation	% Increase in remuneration
1.	Shri Satish Kumar Agarwal	Chairman & Managing Director	58.44
2.	Shri Sunil Kumar Agarwal	Whole Time Director	59.52
3.	Shri Saurabh Agarwal*	Whole Time Director	60.67
4.	Shri Sachin Agarwal	Whole Time Director	60.67
5.	Shri Madhusudan Agarwal	Independent Director	-
6.	Shri Ramesh Chand Surana	Independent Director	-
7.	Smt. Nishal Jain	Independent Director	-
8.	Shri Ramesh Chandra Jain	Independent Director	-
9.	Shri Harish Kumar Agarwal	Chief Financial Officer	11.60
10.	Shri Khem Chand	Company Secretary	**

\*Shri Saurabh Agarwal was re-designated as Non-Executive, Non-Independent Director of the Company w.e.f 1<sup>st</sup> June, 2022.

\*\* Shri Khem Chand was appointed as Company Secretary & Compliance Officer of the Company w.e.f 9<sup>th</sup> August, 2021.

- c. **The percentage increase in the median remuneration of employees in the Financial Year ended 31<sup>st</sup> March, 2022 : 5.87%**
- d. **The number of permanent employees on the rolls of company as on 31<sup>st</sup> March, 2022: 897**
- 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:**

## ANNEXURE-D (Contd.)

The average annual increase in the salaries of employees other than Managerial Personnel was 5.75%, after accounting for promotions and other event based compensation revisions.

Increase in the managerial remuneration for the year was 50.12%. Increase in the managerial remuneration for FY 2022 is not comparable with FY 2021 owing to decrease in remuneration of 3.05% in FY 2021 in view of the economic conditions impacted by the COVID-19 pandemic wherein the Executive Directors had decided to moderate the Executive remuneration for FY 2021 to express solidarity and conserve resources

### 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.

The Company's Nomination & Remuneration Policy is driven by the success and performance of the individual employees and the Company. Through its compensation package, the Company endeavours to attract, retain, develop and motivate a high performance staff. The Company follows a compensation mix of fixed pay, benefits and performance based variable pay. Individual performance pay is determined by business performance and the performance of the individuals measured through the annual appraisal process. The Company affirms remuneration is as per the remuneration policy of the Company.

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 and Remuneration of Managerial Personnel) Rules, 2014.

S. No	Name	Age (Years)	Designation	Annual Remuneration (in ₹)	Qualification	Experience (Years)	Date of commencement of Employment	Last Employment held/ Designation/ Period	Nature of employment whether contractual or otherwise	Percentage of equity shares held in The Company	Whether the employee is relative of any director or manager of The Company and if yes, name of such director or manager
1	Shri Raj Kumar Srivastava	53	National Head - Sales & Marketing (Paints)	75,95,826	B.Com -1989	27	1 <sup>st</sup> September, 2007	1) Acro Paints - 12 Years	Permanent	-	No
2	Shri Harish Kumar Agarwal	54	CFO & Head- Legal	39,73,368	B.Com,C.A-1993	31	1 <sup>st</sup> July, 2006	1) Penam Laboratories Leboratories Limited. - G.M - Finance (July 1998 To June 2006) 2) Indo Textprints Overseas Limited.- Manager- F&A (Sept. -1993 To June 1998) 3) Sharma, Goel & Co., C.A - Manager - Audit (May 1991 To August 1993)	Permanent	0.27%	No
3	Smt Somya Agarwal	30	G.M - Business Development	28,66,653	PGPM-2016	4	3 <sup>rd</sup> August, 2018	Nil	Permanent	0.53%	Shri Sunil Kumar Agarwal
4	Smt Mridula Srivastava	51	SR. Manager - Business Development	22,36,344	M.A.-1994	4	1 <sup>st</sup> May, 2018	Nil	Permanent	-	Shri Raj Kumar Srivastava

**ANNEXURE-D** (Contd.)

S. No	Name	Age(Years)	Designation	Annual Remuneration (in ₹)	Qualification	Experience (Years)	Date of commencement of Employment	Last Employment held/ Designation/ Period	Nature of employment whether contractual or otherwise	Percentage of equity shares held in The Company	Whether the employee is relative of any director or manager of The Company and if yes, name of such director or manager
5	Shri Ashim Ranjan Banerjee	69	V.P - R&D	21,11,358	B.Sc (Hons.)	46	15 <sup>th</sup> February, 2008	1) Super Aquacem India Private Limited. - 14 Years 2)J Enson & Nicholson - 4 Years 3) Worked For 14 Years Previously	Permanent	0.06%	No
6	Shri Anirudh Aggarwal	39	Assistant General Manager- Marketing	10,55,194	MBA-2006	19	1 <sup>st</sup> September, 2021	1) Aggarwal Channel Mills Private Limited- General Manager- Marketing (April 2021 To August 2021) 2) Bhagwati Power And Steel Limited-General Manager- Marketing (Aug 2020 To March 2021) 3) Fortune Metaliks Limited-General Manager - Marketing Jan 2011 To July 2020) 4) Adhunik Metaliks Limited- Manager Marketing(Jan 10 To Dec 2010). 5) Kamdhenu Ispat Limited- Assistant Manager - Marketing (July 2006 To December 2009) 6) Udaipur Bevragas Limited - Sr. Sales Executive (Oct 2003 To June 2006).	Permanent	-	No
7	Shri Shyam Babu Sharma	61	SR. G.M - Business Development	19,10,667	M.A. -1983	24	1 <sup>st</sup> August, 2006	1) Nova Steel Limited- 8 Years (Sales Officer)	Permanent	0.06%	No

## ANNEXURE-D (Contd.)

S. No	Name	Age(Years)	Designation	Annual Remuneration (in ₹.)	Qualification	Experience (Years)	Date of commencement of Employment	Last Employment held/ Designation/ Period	Nature of employment whether contractual or otherwise	Percentage of equity shares held in The Company	Whether the employee is relative of any director or manager of The Company and if yes, name of such director or manager
8	Shri Vinod Kumar Gahlaut	63	General Manager - Marketing	18,42,042	M.A.-1983	35	1 <sup>st</sup> August, 2006	1) Steel Franchisee, Punjab- Sr. Manager(Oct 2000 To July 2006) 2) J.r.m Stee Private Limited-Area Sales Manager, Jan 1999 To Oct 2000) 3) Dolphin Udyog Limited, Sr. Sales Manager, (Oct 1993 To Dec 1998) 4) G.d. Rathi Steel Limited , Sales Manager,( April 1990 To Sept 1993). 5) Prakash Tubes Limited, Sales Assistant ( Feb 1987 To March 1990)	Permanent	0.03%	No
9	Shri Sushil Kumar	42	SR. General Manager - Marketing	18,14,463	MBA-2004	16	1 <sup>st</sup> August, 2006	Nil	Permanent	-	No
10	Shri Nihal Rapta	50	Regional Sales Manager	17,73,225	B.A From H.P.U (Shimla)	22	14 <sup>th</sup> September, 2009	1) Marico Industries - Sales Officer (2000 To 2003) 2) Kansai Nerolac Paints - Territory Sales Officer (Sept. 2003 To Jan. 2008) 3) Ici India Limited - Sr. Sales Officer (Jan 2008 To Aug 2009)	Permanent	0.02%	No

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-E

### 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:

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:	
Date(s) of approval by the Board, if any:	
Amount paid as advances, if any:	

BY ORDER OF THE BOARD OF DIRECTORS OF  
KAMDHENU LIMITED

**(Satish Kumar Agarwal)**

Chairman & Managing Director  
DIN: 00005981

**(Sunil Kumar Agarwal)**

Whole Time Director  
DIN: 00005973

**Date:** 30<sup>th</sup> May, 2022

**Place:** Gurgaon

**(Harish Kumar Agarwal)**

Chief Financial Officer

**(Khem Chand)**

Company Secretary

## ANNEXURE-F

### 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 ₹)

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 Ventures Limited	31 <sup>st</sup> March, 2022	21 <sup>st</sup> January, 2020	₹	NA	3,04,000	(1,97,201)	6,33,349	5,26,550	3,04,000	-	(34,670)	359	(35,030)	-	100
2	Kamdhenu Colour and Coatings Limited	31 <sup>st</sup> March, 2022	18 <sup>th</sup> January, 2020	₹	NA	3,04,000	(1,97,023)	1,24,677	1,77,000	-	-	(32,159)	606	(32,765)	-	100
3	Kamdhenu Jeevandhara Foundation	31 <sup>st</sup> March, 2022	3 <sup>rd</sup> February, 2021	₹	NA	1,00,000	22,87,257	24,08,982	21,675	-	-	(43,427)	-	(43,427)	-	100

#### Additional Disclosures:

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



## **ANNEXURE-F** (Contd.)

### **Additional Disclosures:**

- 1. Names of associates or joint ventures which are yet to commence operations N.A.**
- 2. Names of associates or joint ventures which have been liquidated or sold during the year N.A.**

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

**(Satish Kumar Agarwal)**

Chairman & Managing Director  
DIN: 00005981

**(Sunil Kumar Agarwal)**

Whole Time Director  
DIN: 00005973

**Date:** 30<sup>th</sup> May, 2022

**Place:** Gurgaon

**(Harish Kumar Agarwal)**

Chief Financial Officer

**(Khem Chand)**

Company Secretary



## BUSINESS RESPONSIBILITY REPORT

Creating Shared Value and utilizing the available resources in the utmost sustainable manner are the two pivotal ingredients that determines how your Company does business. Your Company believes that it can only be successful in the long term by creating value both for its shareholders and for society. Your Company is mindful of the needs of the communities and works to make a positive difference and create maximum value for the society. It has been conducting business in a way that delivers long-term shareholder value and benefits society.

Kamdhenu Limited being the leading manufacturer in the business of TMT Steel and Paint, has been operating in a fair, responsible and transparent manner since its inception. The Company is known for its efforts towards promoting inclusive growth, sustainable livelihoods and beliefs in the core philosophy of 'Good Corporate Citizenship' staying

committed to sustainability and in giving back to the society. We focus on driving optimum value and cost optimization from our products & solutions while constantly changing and upgrading our benchmarks. The Business Responsibility Report highlights the approach of the Company towards creating long-term value for all its stakeholders.

The Report is aligned with National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business ('NVG') released by Ministry of Corporate Affairs in 2011 and is in accordance with Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 ("SEBI Listing Regulations") and circulars issued by SEBI from time to time in this regards. This Report provides an overview of the activities carried out by the Company under each of the nine principles outlined in NVG.

### SECTION A: GENERAL INFORMATION ABOUT THE COMPANY:

S. No	Particulars	Details																		
1	Corporate Identity Number (CIN) of the Company	L27101HR1994PLC092205																		
2	Name of the Company	Kamdhenu Limited																		
3	Registered address	2 <sup>nd</sup> Floor, Tower-A, Building No. 9, DLF Cyber City, Phase-III, Gurugram - 122 002 (Haryana).																		
4	Website	www.kamdhenulimited.com																		
5	E-mail id	Kamdhenu@kamdhenulimited.com																		
6	Financial Year reported	2021-22																		
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	<p>As per classification under National Industrial Classification (2008), Central Statistical Organization, Ministry of Statistics and Program Implementation, Government of India, New Delhi.</p> <table border="1"> <thead> <tr> <th>Segment</th> <th>Group</th> <th>Class</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Steel</td> <td>241</td> <td>2410</td> <td>Manufacturing of basic iron and steel</td> </tr> <tr> <td>251</td> <td>2511</td> <td>Manufacture of structural metal products</td> </tr> <tr> <td rowspan="2">Paints</td> <td>202</td> <td>2022</td> <td>Manufacture of paints, varnishes, enamels or lacquers</td> </tr> <tr> <td>201</td> <td>2011</td> <td>Manufacture of organic and inorganic chemical compounds n.e.c.</td> </tr> </tbody> </table>	Segment	Group	Class	Description	Steel	241	2410	Manufacturing of basic iron and steel	251	2511	Manufacture of structural metal products	Paints	202	2022	Manufacture of paints, varnishes, enamels or lacquers	201	2011	Manufacture of organic and inorganic chemical compounds n.e.c.
Segment	Group	Class	Description																	
Steel	241	2410	Manufacturing of basic iron and steel																	
	251	2511	Manufacture of structural metal products																	
Paints	202	2022	Manufacture of paints, varnishes, enamels or lacquers																	
	201	2011	Manufacture of organic and inorganic chemical compounds n.e.c.																	

**BUSINESS RESPONSIBILITY REPORT (Contd.)**

S. No	Particulars	Details
8	List three key products / services that the Company manufactures/ provides (as in balance sheet)	<p><b>I) Steel Products</b>  Kamdhenu NXT (doubled rib TMT Bars)  Kamdhenu PAS 10000 (Power Alloy Steel TMT Bars)  Kamdhenu Structural Steel  Kamdhenu Colour Max Coated Sheets  Kamdhenu Wire Bond  Kamdhenu Pipes</p> <p><b>II) Paints Products</b> (Decorative Segment) - Designer paints, Exterior Emulsion Range, Interior Emulsion Range, Acrylic Washable Distemper, Premium Enamel Paint, Wood Coating Products, Water Proofing Solutions, Roof Coating Solutions, Textures, Staines and Colorants.</p>
9	Total number of locations where business activity is undertaken by the Company	35
	a) Number of International Locations (Provide details of major 5)	None
	b) Number of National Locations	<p><b>I) Plants:</b></p> <ul style="list-style-type: none"> <li>• Steel Plant at Bhiwadi, Rajasthan;</li> <li>• Paint Plant at Chopanki, Rajasthan.</li> </ul> <p><b>II) Franchisee Units</b>  Across India</p> <p><b>III) Paint Depot</b>  The Company caters to the demand of customers all over India through paint depots situated across India.</p>
10	Markets served by the Company: Local/ State/National/ International	India through domestic operations

**SECTION B:****FINANCIAL DETAILS OF THE COMPANY.**

1.	Paid Up Capital of the Company	₹ 26,93,55,000 as on 31 <sup>st</sup> March, 2022.
2.	Total Turnover	₹ 84,274.05 Lakhs as on 31 <sup>st</sup> March, 2022.
3.	Total Profits after Taxes (PAT)	₹ 2,631.89 Lakhs as on 31 <sup>st</sup> March, 2022
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of PAT (%)	Please refer Annexure-B to the Directors' Report for FY 2021-22.
5.	List of activities in which expenditure in 4 above has been incurred	

## BUSINESS RESPONSIBILITY REPORT (Contd.)

### SECTION C:

#### OTHER DETAILS

<b>Does the Company have any Subsidiary Company / Companies?</b>	Yes, the Company has 3 (Three) subsidiaries, as on 31 <sup>st</sup> March, 2022; a) Kamdhenu Ventures Limited b) Kamdhenu Colour and Coatings Limited (step down subsidiary of Kamdhenu Ventures Limited) c) Kamdhenu Jeevandhara Foundations (Section 8 Company)
<b>Do the Subsidiary Company /Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s).</b>	Except the CSR Initiatives taken by Company through its wholly-owned subsidiary company i.e. Kamdhenu Jeevandhara Foundation (company registered under Section 8 of the Companies Act, 2013), no other subsidiary were required to comply with the Business Responsibility Initiatives (BR Initiatives) as per laws applicable to them.
<b>Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/ entities? [Less than 30%, 30-60%, More than 60%]</b>	Our suppliers, distributors etc. are not directly involved with the 'Business Responsibility' Initiatives of the Company. However, our contracts addresses areas like Branding, Quality Standards, ISO mark, Ethics, and Human Rights to our suppliers, distributors and other stakeholders which they are obliged to adhere and comply strictly. With numerous stakeholders working across the Company's different locations and operations, it is difficult to estimate the percentage of such initiatives.

### SECTION D:

#### BR INFORMATION

##### 1. Details of Director/Directors responsible for BR

###### Details of the Director/Directors responsible for the implementation of the BR policy/policies:

<b>DIN Number</b>	00005981
<b>Name</b>	Shri Satish Kumar Agarwal
<b>Designation</b>	Chairman & Managing Director
<b>Details of the BR head (Steel Division)</b>	
<b>DIN Number (if applicable)</b>	N.A.
<b>Name</b>	Shri Hemesh Mathur
<b>Designation</b>	Manager
<b>Telephone number</b>	01493-520401-430
<b>E-mail id</b>	hemesh@kamdhenulimited.com
<b>Details of the BR head (Paint Division)</b>	
<b>DIN Number (if applicable)</b>	N.A.
<b>Name</b>	Shri Rajkumar Srivastava
<b>Designation</b>	National Head- Sales & Marketing (Paints)
<b>Telephone number</b>	0124-4604500
<b>E-mail id</b>	rajkumar@kamdhenulimited.com



## BUSINESS RESPONSIBILITY REPORT (Contd.)

### 2. Principle-wise (as per NVGs) BR policy / policies

#### a. Details of compliance (Reply in Y / N):

National Voluntary Guidelines (NVG) Principle	
<b>Principle 1:</b> Business should conduct and govern themselves with Ethics, Transparency and Accountability.	Ethics, Transparency and Accountability
<b>Principle 2:</b> Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.	Product Life Cycle and Sustainability.
<b>Principle 3:</b> Businesses should promote the well-being of all employees.	Wellbeing of Employees
<b>Principle 4:</b> Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.	Responsiveness to all Stakeholders
<b>Principle 5:</b> Businesses should respect and promote human rights.	Human Rights
<b>Principle 6:</b> Businesses should respect, protect, and make efforts to restore the environment.	Protecting Environment
<b>Principle 7:</b> Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner.	Policy Advocacy
<b>Principle 8:</b> Businesses should support inclusive growth and equitable development.	Supportive Inclusive development
<b>Principle 9:</b> Businesses should engage with and provide value to their customers and consumers in a responsible manner.	Customer Value

Sr. No	Questions	Ethics, Transparency and Accountability	Product Life Cycle and Sustainability	Wellbeing of Employees	Responsiveness to all Stakeholders	Human Rights	Protecting Environment	Policy Advocacy	Supportive Inclusive development	Customer Value
1.	Do you have policy/policies for P1 to P9	Y*	Y*	Y*	Y*	Y*	Y*	Y*	Y*	Y*
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national/international standards? If yes, specify? (50 words)	All the policies conform to the principles as set out in the NVG Guidelines. The Company's policies reflect the purpose and intent of NVG guidelines and the Company is highly conscious about maintaining the best quality of its products as per international standards ISO 9001:2015 and also Bureau of Indian standards								
4.	Has the policy been approved by the Board? If yes, has it been signed by MD/owner/CEO/appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the Company have a specified committee of the Board of Directors/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y

## BUSINESS RESPONSIBILITY REPORT (Contd.)

Sr. No	Questions	Ethics, Transparency and Accountability	Product Life Cycle and Sustainability	Wellbeing of Employees	Responsiveness to all Stakeholders	Human Rights	Protecting Environment	Policy Advocacy	Supportive Inclusive development	Customer Value
6.	Indicate the link for the policy to be viewed online?	All the Nine principles as enshrined in the NVG Guidelines, do not manifest themselves in a single or separate policies, but through the policies drawn up and in force in the Company, in terms of the various statutory / regulatory or contractual requirements. Such policies are displayed on the website of the Company at the web link: <a href="http://www.kamdhenulimited.com">www.kamdhenulimited.com</a> in the relevant sections.								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the Company have in-house structure to implement the policy/policies	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y**	Y**	Y**	Y**	Y**	Y**	Y**	Y**	Y**

\*All the policies are embedded and aligned to ISO 9001:2015 (Quality management systems) and Bureau of Indian standards 1786:2008 (High Strength Deformed Steel Bars and Wires for Concrete Reinforcement), Corporate Environmental Policy, Human Rights Policy and CSR policy and other Government regulated Policies (such as advocacy policies to operate the business with in specified legislative and framework issued by Government from time to time) and Statutory Acts (list of which is appended as Annexure C to NVG Guidelines issued by Ministry of Corporate Affairs)

\*\* The policies are internally evaluated by various department heads, business heads and the management.

**b. If answer to S. No. 1 against any principle, is 'No', please explain why. (Tick upto 2 options)**

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the principles	<b>Not Applicable</b>								
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The Company does not have financial or manpower resources available for the task									
4	It is planned to be done within next six months									
5	It is planned to be done within the next one year									
6	Any other reason (please specify)									



## BUSINESS RESPONSIBILITY REPORT (Contd.)

### 3. GOVERNANCE RELATED TO BR

A.	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company.	Regular monitoring of BR initiatives is being done and complete assessment is done on need basis and annually.
B.	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	Yes, the BRR for FY 2021-22 forms a part of this Annual Report, which is available on the website of the Company at: <a href="http://www.kamdhenulimited.com">www.kamdhenulimited.com</a> and Company publishes the same annually.

#### SECTION E:

#### PRINCIPLE-WISE PERFORMANCE

#### PRINCIPLE 1: ETHICS, TRANSPARENCY AND ACCOUNTABILITY

##### 1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs /Others?

Ethics, transparency and personal accountability form the core values of the Company. It focuses on high standards of corporate governance, in the conduct of its business. The Company has zero-tolerance for bribery and corruption and strives to build and maintain relationships with its lenders, borrowers, shareholders and other stakeholders in a fair, transparent and professional manner.

The Company adheres to all applicable governmental and regulatory rules in order to ensure complete transparency and accountability in all business practices, Any and all breaches of Company guidelines are viewed very seriously by Management, who ensures that appropriate disciplinary action is taken.

##### Code of Conduct

The Code of Conduct seek to ensure that highest standards of work ethics including total honesty, in the conduct of operations of the Company and the discharge of functional responsibilities. The Company is committed to conducting all aspects of its business in keeping with the highest legal and ethical standards and expects all employees and other persons acting on its behalf to uphold this commitment. In accordance with this commitment the Company has adopted Code of Conduct for the Board Members & Senior Management Personnel applicable to the Board of Directors and Senior Management of the Company including Key Managerial Personnel and Code of Conduct and Work Place Ethics which is applicable to all directors,

officers, employees, agents, representatives and other associated persons of the Company.

In brief, the Company will not tolerate bribery, kickbacks, or corruption of any kind, directly or through third parties, whether or not explicitly prohibited by this code or by law. Company's Employees whether at senior level or not are not permitted to give or offer anything of value (including gifts, hospitality, or entertainment) to anyone for the purpose of improperly obtaining or retaining a business advantage.

The Code is also placed on the website of the Company, which also provides for ethical, transparent and accountable behavior by its Directors and Senior Management team. The Company lays utmost importance on integrity while recruiting employees.

All employees are handed over a copy of the Code of Conduct and Work Place Ethics on their first day of joining the Company, as a part of the employee joining kit. Additionally, the contents of the Code of Conduct are also shared in detail with the employees through a specific module that forms part of the HR session during the employee induction training program.

The Company has also formulated and adopted various other codes and policies including Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, Policy on Protection of Women against Sexual Harassment at Workplace, Code of Conduct for Prevention of Insider Trading etc. which are applicable to all its employees/directors, for enforcement of ethical conduct from a governance, regulatory and risk management perspective.

With a view to implement the Code in its true spirit and to ensure full adherence by the designated persons, the Company has automated the process of obtaining disclosures and sanctioning pre-clearance applications for trades by designated persons under the Code of Conduct to Regulate, Monitor and Report Trading by Insiders. The Company has implemented

## BUSINESS RESPONSIBILITY REPORT (Contd.)

the Fintraks software provided by our RTA the System not only acts as a repository of relevant information but also provides an electronic platform for submission of statutory declarations by the designated persons, seeking trading approvals and sending out timely compliance reminders.

In addition, the Company has a Whistle Blower Policy through which the Company seeks to provide a mechanism for its employees, directors, vendors or customers to disclose any unethical and/or improper practice(s) suspected to be taking place in the Company for appropriate action and reporting.

Further, no employee was denied access to the Audit Committee and all disclosures are reported to the Chairman of the Audit Committee. The Code of Conduct and the Whistle Blower Policy are uploaded on the Company's website – <https://www.kamdhenulimited.com>.

We also have an Internal Complaint Committee (ICC) in place to redress the issues and grievances of all the employees that may arise at the workplace within the scope of law and without any biasness. The ICC of the Company also conducts suitable workshops to educate all employees about the Sexual Harassment at workplace and also the methods of filing a complaint with the ICC.

**2. How many stakeholder complaints have been received in the past financial year, and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

The stakeholders of the Company could be placed under several broad heads including but not necessarily limited to:

- (a) its shareholders
- (b) Its lenders
- (c) its suppliers and contractors
- (d) its customer
- (e) the regulators and statutory authorities
- (f) its employees and workers
- (g) the community in general and the local area populations in the area where the Steel and Paint plant of the Company is located.

To cater to the interests of the shareholders and other stakeholders, the Company has in place a committee constituted by its Board of Directors, namely the Stakeholders Relationship Committee, which has

been vested with the responsibility of attending to the shareholders and redressing their grievances satisfactorily.

During the FY 2021-22, the Company received Fourteen (14) shareholders' complaints and disposed off them satisfactorily during the respective quarters in which these were received. The Company has not received any complaints from any stakeholders on the allegations of bribery and corruption. No stakeholder complaint was pending at the end of the FY 2022.

**PRINCIPLE 2: PRODUCT LIFE CYCLE AND SUSTAINABILITY.**

**1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

As the Company business is divided into two segments i.e. Steel and Paints. Accordingly, the details of product under each of segments are shown separately

**STEEL DIVISION**

**(a) KAMDHENU PAS10000:** KAMDHENU PAS10000 is a unique innovative rib pattern alloy steel made up of elements such as Chromium, Cobalt, Manganese, Molybdenum, Nickel, Tungsten, Vanadium etc., for ultra-strong grip with concrete in terms of greater rib depth/height and closer rib spacing at different angles. KAMDHENU PAS10000 is BIS and international quality standards compliant and is suitable for making highly durable 10000 PSI concrete. The load-bearing capacity of KAMDHENU PAS10000 is 28% higher as compared to normal steel. The addition of the micro-alloying elements makes the structure stronger and safer in earthquake prone zones.

KAMDHENU PAS10000 is produced in the ultra-modern plant under close supervision of our frontline metallurgists and engineers. The latest technology, spacious billet yard for castwise stacking of billets, reheating furnace, pre-finishing & finishing mill, continuous shear, cold shear to cut bars and the latest TMT facilities are the features of the Kamdhenu bar mill. Each lot of KAMDHENU PAS10000 is tested through a rigorous process so that buildings get higher strength in different geographical conditions.

As the safety of concrete structure is of prime concern of the Company, the product of the



## BUSINESS RESPONSIBILITY REPORT (Contd.)

Company goes through different stages such as Bond Strength, Weldability, Corrosion Resistance, High Temperature Resistances, Degradation of Steel, Compatibility with high seismic zones Wind Load etc.

Full particulars of the KAMDHENU PAS10000 is available on the website of the Company at <https://www.kamdhenulimited.com/kamdhenu-pas-10000.php>.

**(b) KAMDHENU NXT TMT:** Kamdhenu Nxt is manufactured with the cutting edge technology which is at par with the futuristic national and international quality standards. Kamdhenu Nxt passes through stringent process to turn into the best double rib TMT bar of the next generation. The CNC notch cutting m/c ensure uniform rib pattern which allows uniform bonding with concrete for the whole structure. Due to uniformity and critically designed ribs, fatigue strength and ductility of Kamdhenu Nxt is much superior to ordinary steel bars.

Kamdhenu Nxt is the product for next generation, as it meets requirements of the new engineered reinforcement structures and smart architectural concepts. The vital features of this high end interlock steel TMT bar which makes it different from other TMT bars:

- i) It has exclusive double angle rib design for a stronger interlock bond
- ii) 2.5 times stronger bond strength between steel and concrete for giving more strength to the structure
- iii) Advanced earthquake resistance which ensures the safety and security of the building and structure
- iv) Superior thermal resistance to resist the heat flow in the constructed building
- v) Better corrosion resistance to guarantee longer life span of interlock steel TMT bar due to good anti-corrosion qualities
- vi) High ductile strength to make certain unbreakable flexibility assuring better application
- vii) Compatible and well-suited for strengthening new-age high-rise buildings

**(c) KAMDHENU COLOUR MAX COLOUR COATED PPGI/PPGL SHEETS:** Kamdhenu has launched HI-RIB Profile sheets and Tile profile sheets in PAN India and both of the products has highly resistance to weather and are strong safe and durable. These are also excellent in thermal insulations and anti-capillary groove which ensure leak-proof roof. Kamdhenu PPGI/PPGL sheets complies with International RAL system and the International Standards w.r.t colors used in architecture, construction, industry and road safety

### PAINTS DIVISION (DECORATIVE SEGMENT).

Kamo Hi-Sheen an ultra luxury premium quality interior 100% acrylic latex paint with high sheen, high scrub resistance, best washability, superior adhesion & stain resistance and having sweet smell. It is formulated with ultra premium ingredients using advance technology to provide unmatched, durability, coverage and adhesion.

Kamodual Luxury Emulsion is an elastomeric, super protective 100% acrylic latex paint. It is water resistant and protects the exterior & interior walls from dampness, algae and fungal caused by lashing rain.

Kamo shield is a heavy-duty paint specially developed to withstand rigorous weather condition and offers excellent resistance to chalking, cracking and weathering in comparison to cement paint.

Kamo Power is a water based emulsion that effectively protects the walls from extreme weather conditions, which with extra silicone provide an extra excellent durability to the walls. This, not only reduces the environmental impact, but also attributing.

### 2. For each such product, provide the following details in respect of resource use (energy, water and raw material, among others) per unit of product (optional).

In terms of process change & cross flow of material between units, the difference during the steel making process in resource input is minimal. Therefore, the Company focusses on overall parameters rather than individual grades of steel. Company is continuously engaged in environment friendly initiatives like Energy conservation, Water conservation, reduction in emissions, waste minimization, waste recycling.



## BUSINESS RESPONSIBILITY REPORT (Contd.)

**i) Reduction during sourcing/production distribution achieved since the previous year throughout the value chain?**

Company utilize optimum consumption of resource such as electricity, fuel oil, lubricant oil, raw material and water. The targets are fixed for specific consumption of resource usage. The achievements of the same are reviewed in internal and external audits of quality and environment management system. The specific energy consumption at the project sites is seen to be improving with the implementation of few of the energy efficient measures. Even though the specific water consumption is low as compared to electricity, the Company is implementing water conservation and management measures by installing secondary waste water treatment systems at the project sites. The treated water is recycled and reused for various purposes. The Company also follows a series of Environmental Performance Indicators to monitor its efforts for sustainable use of natural resources in manufacturing. The Company is committed to conservation and optimal utilization of all resources, reducing waste to zero and full recovery of unavoidable by-products.

**ii) Reduction during usage by consumers, has been achieved since the previous year?**

As of now company does not track the reduction and initiatives drive taken by consumers. Company is in process of developing procedure to make extensive use of life cycle assessment to advise its customers in the design of their products to help them to minimize the energy usage.

**3. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

Kamdhenu Products has a clearly defined process for vendor selection & major material are being sourced through certified vendors only. Compliance to all clauses of the contracts and statutory laws are continuously

monitored by the Company's procurement and other functional teams. Ingots is one of the major raw material for making TMT bars and alkyls for Paints and all such products are procured from sustainable source.

**4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

Many goods and services are procured locally so as to reduce cost and generate direct / indirect employment in the area. Following are some of the major services being procured locally –

- Services like car and bus rentals for to and from transportation of men and materials from the plant to local residential area.
- Electrical equipment repair and rewinding. Vehicle, HVAC maintenance.
- Manpower for work shop support works.
- Manpower for various works being done through contractors.
- Pest control
- Medical facilities for the employees etc.
- Procurement of standard lubricants and consumables.

**5. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

Kamdhenu Steel Plant and Franchisee Units have been striving to enhance the utilization of different solid wastes like mill scale, slag, flue dust, waste refractory bricks, etc. through application of the principle of 4Rs (Reduce, Recover, Recycle and Reuse). The Company has been procuring papers that contain 100% recycled content. The Company also uses recycled cardboard cartons (secondary packaging) to pack small sized paint containers.



## BUSINESS RESPONSIBILITY REPORT (Contd.)

### PRINCIPLE 3: WELLBEING OF EMPLOYEES

1.	Please indicate the Total number of employees in Kamdhenu Limited.	897
2.	Please indicate the total no. of employees hired on temporary/contractual/casual basis.	297
3.	Please indicate the Number of permanent women employees.	25
4.	Please indicate the Number of permanent employees with disabilities.	N.A.
5.	Do you have an employee association that is recognized by Management?	N.A.
6.	What percentage of your permanent employees is members of this recognized employee association?	N.A.
7.	Please indicate the Number of complaints relating to child labor, forced labor, Involuntary labor, Sexual harassment in the last financial year and pending as on the end of the financial year.	No complaints relating to child labor, forced labor, involuntary labor and sexual harassment are pending as of end of the FY 2022
8.	What percentage of your under-mentioned employees was given safety and skill up-gradation training in the last year?	
	a) Permanent Employees	We believe our employees are a major asset for our Company. Safety and creating a safe operating culture continues to be amongst our top priorities. We have a company-wide occupational health and safety policy to ensure awareness in safety and that best practices in terms of safety are being followed at all our sites. We are focused on improving behavioral safety, reducing hazards through periodical walk-through Audits and safety Improvement projects. In doing so, we have been providing continuous training and skill development workshops before commencement of work and during the term of employment. Safety awareness programs and campaigns are conducted regularly to help the employees understand their role in making the workplace safe. Each person is encouraged to report any unsafe conditions at the workplace to the reporting manager and follow the safety measures at workplace with utmost priority.
	b) Permanent Women Employees	
	c) Casual/Temporary/ Contractual Employees	
	d) Employees with Disabilities	

### PRINCIPLE 4: RESPONSIVENESS TO ALL STAKEHOLDERS

**1. Has the Company mapped its internal and external stakeholders?**

Yes. The Company has mapped its internal and external stakeholders. It uses both formal and informal mechanisms to engage with various stakeholders to understand their concerns and expectations.

**2. Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized stakeholders?**

There has never been any discrimination in facilitation or extending benefits to stakeholders.

**3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.**

At Kamdhenu Limited, we build lasting bonds with all our stakeholders, internal and external, through meaningful deliberations. The Company's CSR programs and projects are aimed at serving the needy, deserving, socio-economically backward and disadvantaged communities aimed at improving the quality of their lives. The projects contributing to betterment of disadvantaged, vulnerable and marginalized stakeholders are:

## BUSINESS RESPONSIBILITY REPORT (Contd.)

- Providing education to economically/physically challenged;
- Providing medical treatment including diagnosis and medicines at a very nominal cost to economically deprived.

The Company also engaged some local disadvantageous, vulnerable and marginalized stakeholders through contracts for small time works being given to them. This primarily includes engagement of drivers, medical staff, mistries, carpenters, plumbers, mechanics etc, locally. Such small time contracts ensure gainful engagement of such disadvantageous and marginalized sections.

### PRINCIPLE 5: HUMAN RIGHTS

#### 1. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

The Company complies and adheres to all the human rights laws and guidelines of the Constitution of India, national laws and policies. The Company treats all its stakeholders and customers with dignity, respect and due understanding. The Company takes care to be just patient and understanding while dealing with delinquent customers. The Company has put in place an code of conduct and Human Right policy in force in the Company which seeks to ensure and to promote an atmosphere free of fear where people can work and live with freedom and dignity. While dealings with various persons within the Company or outside it, the Company has never lost sight of the fact that every such person is a human being and needs to be dealt with as one and therefore the attempt is always to ensure that no person is dealt with dishonestly, shortchanged or exploited. Furthermore, the Company has as responsible corporate citizen always sought to ensure the welfare and well-being of people both at the physiological as well as the psychological level, without their being made to compromise on their rights as human beings. Any complaints and grievances pertaining to behavioral issues are attended personally by senior officers.

#### 2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

Please refer Principle 1

### PRINCIPLE 6: PROTECTING ENVIRONMENT

#### 1. Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors/ NGOs/others?

The Company's Policies – Environment, Health & Safety, extend support to all stakeholders influencing the entire value chain. This also helps in sustaining environmental impacts beyond the prescribed limits and address social responsibility. Presently, the Policy covers the Company only.

#### 2. Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc?

The Company doesn't have any specific program or initiatives to address such issue. However, during the course of business, it undertakes various steps like replaced conventional lighting with LED for energy saving, 100% IT data center virtualization to reduce cost and carbon footprint and recycling of RO waste water. Company is also committed to water conservation, energy conservation and tree plantation through a drive launched by the Kamdhenu i.e Green India.

#### 3. Does the Company identify and assess potential environmental risk? Y/N.

No.

#### 4. Does the Company have any project related to Clean Development Mechanism? If yes, whether any environmental compliance report is filed?

No.

#### 5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy etc.? If yes, please give hyperlink for web page etc.

Several initiatives on our own for clean, eco-friendly and sustainable growth are undertaken by the Company.

#### Energy Conservation:

Optimum utilization of resources as a principle is ingrained in all the processes at Steel Plant. The Company has installed the wind turbines for generation of electricity as energy conservation initiatives for reduction in power consumption, and increasing efficiency are a regular feature.



## BUSINESS RESPONSIBILITY REPORT (Contd.)

### Reduction in Office waste:

Our initiative to reduce waste generation at our offices includes using jet hand dryers in washrooms to minimize usage of tissue rolls, printing on both sides of paper and generating awareness in employees to shift to paperless office model.

**Awareness Programs:** To spread awareness about environmental protection measures, every year we celebrate Earth Day, Environment Day & Environment Week etc. The activities held during such programs include Tree Plantation, Safety week, etc.

### Green India Drive - Plantations:

Under the Green India Drive the Company has motivated more than 7500 dealers and distributors to increase the green area around themselves and also motivated to plant at least 5 saplings each year and nurture them to complete growth.

### Environment and Safety Certifications:

Your Company is certified for international quality standards ISO 9001:2015 and also certified for meeting the specifications of Bureau of Indian standards 1786:2008, the Company is highly conscious about maintaining the best quality of its products.

### 6. Is the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

The emissions generated during the financial year by the Company were within the permissible limits prescribed by the regulatory authorities.

### 7. Number of show cause/legal notices received from CPCB/SPCB, which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

No show cause or legal notice received from CPCB or SPCB is pending as on end of FY 2021-22.

## PRINCIPLE 7: POLICY ADVOCACY

### 1. Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

No.

### 2. Have you advocated / lobbied through above associations for the advancement or improvement of public good? Yes / No; if yes, specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy Security, Water, Food Security, Sustainable Business Principles, Others)

No.

## PRINCIPLE 8: SUPPORTIVE INCLUSIVE DEVELOPMENT

### 1. Does the Company have specified programs / initiatives / projects in pursuit of the policy related to Principle 8? If yes, details thereof.

The Company is a socially responsible organization with focus on integrating our business model with the program for serving the community where we operate. In principle, we believe that we can achieve our growth in responsible manner and also address the needs of the community. Our focus is to extend our support for the sustainable development of the community especially those who are below poverty line in the Country. Kamdhenu Jeevandhara Foundation, is the CSR wing of Kamdhenu Limited, wherein we envision building an educated and healthy nation by providing education and improving lives of the community through high quality and preventive healthcare initiatives. The CSR vision and mission of the foundation lays down principles to carry out CSR activities directed towards the underprivileged section of our society, area of education, training, vocational education, Public Health and Skill Development.

The Company has a Corporate Social Responsibility Policy ("CSR Policy"), which can be accessed at our website at <https://www.kamdhenulimited.com/Financial-Results/CORPORATE-SOCIAL-RESPONSIBILITY-POLICY.PDF>

### 2. Are the programs/projects undertaken through in-house team/own foundation/external NGO/ government structures/ any other organization?

Kamdhenu Jeevandhara Foundation, a Section 8 company and the wholly owned subsidiary of the Company handles the CSR wing of the Company and

## BUSINESS RESPONSIBILITY REPORT (Contd.)

manages all the CSR programs, projects and initiatives of the Company. Ongoing projects are in process of being implemented directly by Kamdhenu Jeevandhara Foundation through its own team while rest of the projects are implemented by NGOs partners under close supervision of the Foundation.

### 3. Have you done any impact assessment of your initiative?

No, the initiatives undertaken are reviewed by the CSR Committee, constituted by the Board. The CSR operation team ensures proper and frequent monitoring of all the projects.

### 4. What is your Company's direct contribution to community development projects- Amount in Rupees and the details of the projects undertaken?

Please refer the "Annual Report on CSR Activities" attached as an annexure \_\_ to the Director's Report, forming part of the Annual Report, for further details.

### 5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

The Company undertakes its CSR activities after assessing the needs of the location and the community. It involves the respective Government departments, various stakeholders and community at large in different programs to ensure that needs of the community are met at large.

## PRINCIPLE 9: CUSTOMER VALUE

### 1. What percentage of customer complaints/consumer cases are pending as on the end of Financial Year?

There are no material consumer cases/customer complaints outstanding as at the end of Financial Year 2021-22.

### 2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes / No / N.A. / Remarks (additional information)

In paint segment, various products of the Company are provided with all the mandatory information as per applicable laws.

In steel segment Company's products do not have any mandatory labeling requirements. However, in order to convey useful information to customers, Kamdhenu's products bear information labels providing details about specifications, sizes and quality of the respective products. Against every sale, customers are provided with test certificates issued by certified third parties that contain quality parameters, as well as the chemical and physical properties of the product. The above information is also available in product brochures that are given to customers.

### 3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year?

No case has been filed by any Stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last 5 years and no such case are pending as on date of such report.

### 4. Did your Company carry out any consumer survey/ consumer satisfaction trends?

No.

BY ORDER OF THE BOARD OF DIRECTORS  
KAMDHENU LIMITED

(Satish Kumar Agarwal)

Chairman & Managing Director  
DIN: 00005981

(Sunil Kumar Agarwal)

Whole Time Director  
DIN: 00005973

Date: 30<sup>th</sup> May, 2022

Place: Gurgaon



## CORPORATE GOVERNANCE REPORT

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance at Kamdhenu Limited (the 'Company') has been a continuous journey and the business goals of the Company are aimed at the overall well-being and welfare of all constituents of the systems. The Company has laid a strong foundation for making Corporate Governance a way of life by constituting a Board with a balanced mix of experts of eminence and integrity, forming a core group of top-levels of executives, inducting competent professionals across the organization and putting in place appropriate systems, process and technology. The Company has a strong legacy of fair, transparent and ethical governance practices and the essence for maintaining the integrity, transparency and accountability lies not only on the management's higher ranks but also at all the levels of employee hierarchy. Effective corporate governance practices constitute the strong foundation on which successful enterprises are built to last.

For us, Corporate Governance goes beyond philanthropy and compliance but actually deals with how we manage our triple bottom lines – economic, social and environmental impacts. It monitors our role as well as the quality of our relationships in key spheres of influence including the workplace, the market place, the supply chain, the community and the public policy realm.

The Company believes in maintaining highest standards of good and ethical Corporate Governance practices. Good Corporate Governance practices stem from the culture and mindset of the organization. It is also believed that Corporate Governance is not only about enacting regulations and procedures but also maintaining and establishing an environment of trust and confidence among various stakeholders. Corporate Governance is a journey for constantly improving sustainable value creation and is an upward moving target. Strong leadership and effective corporate governance practices have been the Company's hallmark inherited from the culture and ethos and standing as to the current date Corporate Governance has percolated into the culture of organization and has become perennial.

The Company also engages itself in a credible and transparent manner with all its stakeholders which help them to understand its long term strategies. All

its actions are governed by its values and principles, which are reinforced at all levels of the Company. This together with meaningful CSR activities has enabled your Company to earn the trust and goodwill of its shareholders, business partners, employees and the communities, in which it operates. The Board of Directors ('the Board') is responsible for and is committed to sound principles of Corporate Governance of the Company. The Board plays a crucial role in overseeing how the management serves the short and long-term interests of shareholders and other stakeholders. This belief is reflected in its governance practices, under which it strives to maintain an effective, informed and independent Board. The Company keeps its governance practices under continuous review and benchmark itself to best practices.

As a Company, we distinguish ourselves in the market by offering a portfolio of responsible next generation Kamdhenu TMT (Steel) products and Eco-friendly Kamdhenu Paints products that deliver powerful, sustainable and efficient solutions that do not compromise on capacity or security. Our eco-friendly approach is evident in our efforts to develop an alternate strategy so as to reduce the environmental impact from our business. We are equally committed to managing a responsible supply chain in a manner that is consistent and compliant with our high standards for environment and business practices. This contributes to our social responsibility of sustenance of depleting environmental resources.

The Company's Corporate Governance Guidelines cover aspects related to composition and role of the Board, Chairman and Directors, Board diversity, directors' term and mandates of Board Committees. It also covers aspects relating to nomination, appointment, induction and development of directors, directors' remuneration and Board effectiveness review. These guidelines ensure that the Board will have the necessary authority and processes to review and evaluate its operations, when required.

Your Company is in compliance with the requirements of Corporate Governance stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, hereinafter called "SEBI Listing Regulations" and also the Guidance Note on Board Evaluation as prescribed by the Securities and Exchange Board of India (SEBI).

## CORPORATE GOVERNANCE REPORT (Contd.)

### 2. BOARD OF DIRECTORS

The Company has a multi-tier management structure with the Board of Directors at the top. Besides this, there are other functions viz. Finance, Corporate Secretarial, Marketing, Business Development etc. All key verticals and support functions of Paint and Steel segments, report to their heads to in turn reports to Chairman & Managing Director (CMD). The CMD is also supported by Executive Directors and senior most executives in setting strategic direction for the Company and guiding in development of talent pipeline for leadership positions.

We believe that an efficient Board creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance. The Board plays a critical role in overseeing how the management serves the short-term and long-term interests of shareholders and other stakeholders. Our Board of Directors has always worked on the side of ethics and have shunned expediency in any form. They believe that if something is important enough to be done, it is important that we do it ethically. They supplement their traditionally held values of ethical behavior and moral conduct with explicit rules and regulations that guide their efforts in financial, propriety and business excellence.

#### A. Composition of Board

The Company has a broad based Board of Directors, constituted in compliance with the Companies Act, 2013 ("Act") SEBI Listing Regulations, in accordance with highest standards of Corporate Governance in its management, which ensures an optimum combination of Executive and Non-Executive Director including Independent Directors out of which one being

Independent Woman Director, with demonstrated skill sets and relevant experience. As on March 31,2022, the Board comprises of 8 directors, out of which four are Executive Director and other four are Non-Executive Independent Director including one Independent Woman Director. The Chairman being a Promoter Director, the number of Independent Non-Executive Directors on the Board has been  $\geq$  50% of the Board strength at any point of time.

The Board comprises directors that bring a wide range of skills, expertise and experience which enhance overall board effectiveness. The core skills/ practical experience/ special knowledge/ competencies those are identified by the Board of Directors of the Company, as required in the context of Company's business(es) and sector(s) to function effectively are Business Strategy, Taxation, Regulatory Compliances, Project management & Supervision, Risk Management, Corporate Governance, Corporate Social Responsibility, Stakeholder Management, Operations and Process Optimization, Business Management, Finance Management, Business Development, Human Resources Management, Resource Mobilization, Credit Control, Collections, Economics, Law, etc. and these skills/ expertise/ competencies are currently available with the Board.

The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations and the Listing Agreements entered into by the Company with the stock exchanges where its shares are listed and in pursuance to the applicable provisions of Companies Act, 2013 and the relevant Rules framed thereunder.

### I) COMPOSITION AND CATEGORY OF DIRECTORS.

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 Satish Kumar Agarwal (DIN: 00005981)	Promoter	Executive - Chairman & Managing Director
2	Shri Sunil Kumar Agarwal (DIN: 00005973)		Executive - Whole time Director
3	Shri Saurabh Agarwal (DIN: 00005970) <sup>1</sup>		Executive - Whole time Director
4	Shri Sachin Agarwal (DIN: 01188710)		Executive - Whole time Director



## CORPORATE GOVERNANCE REPORT (Contd.)

Sl. No.	Name of Directors	Promoter/Non-Promoter	Category of Directorship
5	Shri Madhusudan Agarwal (DIN: 00338537) <sup>2</sup>	Non-Promoter	Non- Executive - Independent Director
6	Shri Ramesh Chand Surana (DIN: 00089854)		Non- Executive - Independent Director
7	Smt. Nishal Jain (DIN: 06934656) <sup>3</sup>		Non- Executive - Independent Woman Director
8	Shri Ramesh Chandra Jain (DIN: 00038529) <sup>4</sup>		Non- Executive - Independent Director
9	Smt. Pravin Tripathi (DIN: 06913463) <sup>5</sup>		Non- Executive - Independent Woman Director

### Note:

- 1) Shri Saurabh Agarwal, Whole-Time Director of the Company has been re-designated as Non-Executive & Non-Independent Director of the Company w.e.f. 1<sup>st</sup> June, 2022.
- 2) Shri Madhusudan Agarwal was appointed as Independent Director for first term of 2 consecutive years commencing from 22<sup>nd</sup> May, 2021, by the Shareholders of the Company at their 27<sup>th</sup> Annual General Meeting.
- 3) Smt. Nishal Jain ceased to be the Independent Director of the Company w.e.f. 31<sup>st</sup> May, 2022.
- 4) Shri Ramesh Chandra Jain was re-appointed as Independent Director of the Company for a second terms of 2 consecutive years w.e.f 2<sup>nd</sup> May, 2021 by the Shareholders of the Company at their 27<sup>th</sup> Annual General Meeting.
- 5) Due to sudden and unexpected demise, the office of Shri Mahendra Kumar Doogar, as Independent Director of the Company has been vacated with effect from 4<sup>th</sup> May, 2021.
- 6) Smt. Pravin Tripathi (DIN: 06913463) was appointed as Additional Director in the category of Independent Director of the Company w.e.f 30<sup>th</sup> May, 2022 and the Board of Directors has recommended her appointment to the Shareholder for their approval in the ensuing 28<sup>th</sup> Annual General Meeting.

## II) ATTENDANCE OF EACH DIRECTOR AT THE MEETING OF THE BOARD OF DIRECTORS AND 27<sup>TH</sup> ANNUAL GENERAL MEETING.

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

The agenda is circulated well in advance to the Board members, along with comprehensive background information on the items in the agenda to enable the Board members to take informed decisions. The Company Secretary tracks and monitors Board and Committee proceedings to ensure that the Terms of Reference /Charters are adhered to, decisions are properly 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 FY 2021-2022, the Board met 4 (Four) times. The dates of the Board meetings were 21<sup>st</sup> June, 2021, 9<sup>th</sup> August, 2021, 10<sup>th</sup> November, 2021 and 2<sup>nd</sup> February, 2022. The gap between any two consecutive meetings held during the FY 2021-22 did not exceed 120 days, except for the meeting which was held on 21<sup>st</sup> June, 2021, for which a relaxation was issued by Ministry of Corporate Affairs ("MCA") vide its General Circular No. 08/2021 dated 3<sup>rd</sup> May, 2021, due to spread of COVID-19 pandemic across the country.

The Meeting of Independent Director was held on 19<sup>th</sup> January, 2022 with the presence of all Independent Directors.

The last Annual General Meeting of the Company was held on 27<sup>th</sup> September, 2021.

A table depicting the attendance of Directors at various board meetings and annual general meeting held during the financial year 2021-2022, is set out below:



## CORPORATE GOVERNANCE REPORT (Contd.)

S.No	Name of Director	Attendance in Board Meeting (including Independent Director Meeting) and 27 <sup>th</sup> AGM					
		Board Meeting				27 <sup>th</sup> AGM	Independent Directors' Meeting
		21 <sup>st</sup> June, 2021	9 <sup>th</sup> August, 2021	10 <sup>th</sup> November, 2021	2 <sup>nd</sup> February, 2022	27 <sup>th</sup> September, 2021	19 <sup>th</sup> January, 2022
1	Shri Satish Kumar Agarwal	√	√	√	√	√	NA
2.	Shri Sunil Kumar Agarwal	√	√	√	√	√	NA
3.	Shri Saurabh Agarwal	√	√	√	√	√	NA
4.	Shri Sachin Agarwal	√	√	√	√	√	NA
5.	Shri Madhusudan Agarwal	√	√	√	√	√	√
6.	Shri Ramesh Chandra Jain	√	√	√	√	√	√
7.	Shri Ramesh Chand Surana	√	⊗	√	√	√	√
8.	Smt. Nishal Jain*	√	√	√	√	⊗	√
9.	Shri Mahendra Kumar Doogar**	NA	NA	NA	NA	NA	NA
10	Smt. Pravin Tripathi***	NA	NA	NA	NA	NA	NA

\* Smt. Nishal Jain ceased to be the Independent Director of the Company w.e.f. 31<sup>st</sup> May, 2022.

\*\* Due to sudden and unexpected demise, the office of Shri Mahendra Kumar Doogar, as Independent Director of the Company, has been vacated with effect from 4<sup>th</sup> May, 2021.

\*\*\*Smt. Pravin Tripathi was appointed as Independent Director of the Company w.e.f 30<sup>th</sup> May, 2022.

### III) NUMBER OF OTHER BOARDS OR COMMITTEES IN WHICH A DIRECTORS IS MEMBER OR CHAIRMAN AND NAME OF LISTED ENTITIES IN WHICH DIRECTORS HOLDS DIRECTORSHIPS.

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

S. No	Name of Director	No. of Directorship in other Companies (including the Company)*	Category of Directorship and name of Listed Entities other than the Company		No. of Membership and Chairmanship of various companies including the Company.**	
			Category	Name of Listed Company	Membership	Chairmanship
1.	Shri Satish Kumar Agarwal	5	-	-	-	-
2.	Shri Sunil Kumar Agarwal	9	-	-	1	-
3.	Shri Saurabh Agarwal***	9	-	-	1	-
4.	Shri Sachin Agarwal	6	-	-	-	-
5.	Shri Ramesh Chandra Jain	6	Non-Executive Director	The Hi-Tech Gears Limited	5	1
			Non-Executive Independent Director	S.J.S Enterprises Limited		
			Non-Executive Independent Director	Frick India Limited		

**CORPORATE GOVERNANCE REPORT (Contd.)**

S. No	Name of Director	No. of Directorship in other Companies (including the Company)*	Category of Directorship and name of Listed Entities other than the Company		No. of Membership and Chairmanship of various companies including the Company.**	
6.	Shri Madhusudan Agarwal	2	Non-Executive Director	East Buildtech Limited	1	1
7.	Shri Ramesh Chand Surana	1	-	-	2	1
8.	Smt. Nishal Jain****	2	Non-Executive Independent Director	Omaxe Limited	2	-
9	Smt. Pravin Tripathi*****	5	Non-Executive Independent Director	Jay Bharat Maruti Limited	5	-
			Non-Executive Independent Director	Multi Commodity Exchange of India Limited		
			Non-Executive Independent Director	Minda Industries Limited		
			Non-Executive Independent Director	JBM Auto Limited		

\*Does not include directorships held in private limited companies, foreign companies and the companies registered under Section 8 of the Companies Act, 2013.

\*\*In the above table, memberships/Chairpersonship of the Audit Committees and Stakeholders' Relationship Committee in various Indian public limited companies only, have been considered.

\*\*\* Shri Saurabh Agarwal, Whole-Time Director of the Company has been re-designated as Non-Executive & Non-Independent Director of the Company w.e.f. 1<sup>st</sup> June, 2022.

\*\*\*\* Smt. Nishal Jain ceased to be the Independent Director of the Company w.e.f. 31<sup>st</sup> May, 2022

\*\*\*\*\* Smt. Pravin Tripathi was appointed as Independent Director of the Company w.e.f. 30<sup>th</sup> May, 2022.

**Note**

- 1) Data presented above is after taking into account the disclosures furnished by the continuing Directors in the first board meeting of the FY 2022-23.
- 2) 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 Relationship Committee, have been considered in terms of Regulation 26(1) of the SEBI Listing Regulations.
- 3) None of the Non-Executive Director had any pecuniary relationship with or entered into any pecuniary transactions with the Company, during the FY 2021-22.
- 4) 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.
- 5) Shri Satish Kumar Agarwal is a Promoter and Chairman and Managing Director of the Company.

**IV) NUMBER OF BOARD MEETINGS.**

During the year under review, four (4) Board Meetings were held. The Board met on 21<sup>st</sup> June, 2021, 9<sup>th</sup> August, 2021, 10<sup>th</sup> November, 2021 and 2<sup>nd</sup> February, 2022.

## CORPORATE GOVERNANCE REPORT (Contd.)

### V) 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 31<sup>st</sup> March, 2022. The details of Shareholding and inter-se relationship of Executive Directors of the Company as at 31<sup>st</sup> March, 2022 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 Satish Kumar Agarwal (DIN: 00005981)	Chairman & Managing Director	Father of Shri Saurabh Agarwal & Shri Sachin Agarwal and Brother of Shri Sunil Kumar Agarwal	16,47,742 Equity Shares having face value of ₹ 10/- each.
2	Shri Sunil Kumar Agarwal (DIN: 00005973)	Whole Time Director	Brother of Shri Satish Kumar Agarwal	18,45,572 Equity Shares having face value of ₹ 10/- each.
3	Shri Saurabh Agarwal (DIN: 00005970)*	Whole Time Director*	Son of Shri Satish Kumar Agarwal and Brother of Shri Sachin Agarwal	8,26,500 Equity Shares having face value of ₹ 10/- each.
4	Shri Sachin Agarwal (DIN: 01188710)	Whole Time Director	Son of Shri Satish Kumar Agarwal and Brother of Shri Saurabh Agarwal	9,23,719 Equity Shares having face value of ₹ 10/- each.

\* Shri Saurabh Agarwal, Whole-Time Director of the Company has been re-designated as Non-Executive & Non-Independent Director of the Company w.e.f. 1<sup>st</sup> June, 2022.

### VI) INDEPENDENT DIRECTOR DECLARATIONS AND WEB LINK FOR FAMILIRIZATION PROGRAMME OF INDEPENDENT DIRECTORS.

#### Independent Director

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

The Company has received declaration from the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act read with Regulation 16(1)(b) of the SEBI Listing Regulations. In terms of Regulation 25(8) of the SEBI Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstances or situations which exist or may be reasonably anticipated that could impair or impact their ability to discharge their duties. The Board is of the opinion that the Independent Directors fulfil the conditions specified in the Act and the SEBI Listing Regulations and that they are independent of the management.

In terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, the Independent Directors have also confirmed that they are registered in the data bank of Independent Directors' maintained with the Indian Institute of Corporate Affairs. No Independent Director has resigned during the FY 2021-22 except, Shri Mahendra Kumar Doogar whose office of Director was vacated from the Company due to his sudden and sad demise on 4<sup>th</sup> May, 2021 and Smt. Nishal Jain has resigned post closure of financial year 2021-22 w.e.f 31<sup>st</sup> May, 2022.

#### Separate meeting of Independent Directors

In compliance with the requirements set out in Schedule IV to the Companies Act, 2013 read with the SEBI Listing Regulations and Secretarial Standards on Board Meetings, a separate meeting of Independent Directors of the Company was held on 19<sup>th</sup> January, 2022, details of which has been disclosed at Point No. II above. The Independent Directors, inter-alia, reviewed the performance of Non-Independent Directors, Board as a whole and Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors.



## CORPORATE GOVERNANCE REPORT (Contd.)

### Familiarization program of Independent Director

Pursuant to Regulation 25(7) of SEBI Listing Regulation, a familiarization exercise for Independent Directors of the Company was carried out on 19<sup>th</sup> January, 2022, 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.kamdhenulimited.com/Financial-Results/Familiarisation-Programme-for-Independent-Directors\\_Kamdhenu.pdf](https://www.kamdhenulimited.com/Financial-Results/Familiarisation-Programme-for-Independent-Directors_Kamdhenu.pdf)

### VII) 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 Satish Kumar Agarwal	√	√	√	√	√	√	√	√
Shri Sunil Kumar Agarwal	√	√	√	√	√	√	-	√
Shri Saurabh Agarwal	√	√	√	√	√	√	-	√
Shri Sachin Agarwal	√	√	√	√	√	√	-	√
Shri Madhusudan Agarwal	√	√	√	√	√	√	√	√
Shri Ramesh Chand Surana	√	√	√	√	√	√	√	√
Shri Ramesh Chandra Jain	√	√	√	√	√	√	√	√
Smt. Nishal Jain	√	√	√	-	√	√	-	-
Smt. Pravin Tripathi	√	√	-	√	√	√	√	√

### 3. COMMITTEES OF THE BOARD

The Board has constituted various Committees to take informed decisions in the best interest of the Company. These Committees monitor the activities falling within their terms of reference. The role and the 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 Committee has been constituted in line with the provisions of Regulation 18 of SEBI Listing Regulation and Section 177 of the Companies Act, 2013 and Presently, the Committee comprises of four (4) members namely Shri Madhusudan Agarwal, as the Chairman & member and Shri Sunil Kumar Agarwal, Shri Ramesh Chand Surana and Shri Ramesh Chandra Jain, as the other three members. While Shri Madhusudan Agarwal, Shri Ramesh Chand Surana and Shri Ramesh Chandra Jain are Independent Directors, Shri Sunil Kumar Agarwal is the Promoter, Whole-time Director.

During the year under review, the following changes in the constitution of the Committee was took place;

- I) Shri Ramesh Chandra Jain was inducted as Member of the committee and Smt. Nishal Jain ceased to be the Member of the Committee w.e.f 3<sup>rd</sup> May, 2021.
- II) Due to sudden demise of Shri Mahendra Kumar Dooger, the committee was reconstituted on 22<sup>nd</sup> May, 2021 and Shri Madhusudan Agarwal was inducted and designated as Chairman of the committee w.e.f 22<sup>nd</sup> May, 2021.

All the members are financially literate having expertise in the fields of finance, accounting, development, strategy and management. Company Secretary also acts as Secretary to the Audit Committee.

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.

## CORPORATE GOVERNANCE REPORT (Contd.)

### 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 Internal Auditor.
- ii) recommendation for appointment, remuneration and terms of appointment of statutory auditors.
- iii) approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- iv) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval.
- v) reviewing, with the management, the quarterly financial statements before submission to Board for approval.
- vi) 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
- vii) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
- viii) 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.
- ix) scrutiny of inter-corporate loans and investments.
- x) valuation of undertakings or assets of the Company, wherever it is necessary.
- xi) evaluation of internal financial controls and risk management systems.
- xii) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- xiii) 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.
- xiv) discussion with internal auditors of any significant findings and follow up there on.
- xv) 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.
- xvi) 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.
- xvii) to look into the reasons for substantial defaults in the payment to creditors, if any.
- xviii) to review the functioning of the whistle blower mechanism.
- xix) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- xx) 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 existing as on the date of coming into force of this provision
- xxi) to review and consider the rationale, cost-benefits and impacts of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders
- xxii) to review the financial statements, in particular and the investments made by the unlisted subsidiary
- xxiii) 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 FY 2021-2022, the Audit Committee met 4 (Four) times. The dates of the Audit Committee meetings were 21<sup>st</sup> June, 2021, 9<sup>th</sup> August, 2021, 10<sup>th</sup> November, 2021 and 2<sup>nd</sup> February, 2022. The gap between any two consecutive meetings held during the FY 2021-2022 did not exceed 120 days, except for the meeting which was held on 21<sup>st</sup> June, 2021, for which a relaxation was issued by Ministry of Corporate Affairs ("MCA") vide its General Circular No. 08/2021 dated 3<sup>rd</sup> May, 2021, due to spread of COVID-19 pandemic across the country.



## CORPORATE GOVERNANCE REPORT (Contd.)

A table depicting the attendance of members at meetings held during the FY 2021–2022, is set out below:

S. No	Name of Director	Attendance in Audit Committee Meeting			
		21 <sup>st</sup> June, 2021	9 <sup>th</sup> August, 2021	10 <sup>th</sup> November, 2021	2 <sup>nd</sup> February, 2022
1	Shri Madhusudan Agarwal	✓	✓	✓	✓
2.	Shri Sunil Kumar Agarwal	✓	✓	✓	✓
3.	Shri Ramesh Chandra Jain	✓	✓	✓	✓
4.	Shri Ramesh Chand Surana	✓	☒	✓	✓

The Chief Financial Officer/Finance Head and Internal, Statutory and Secretarial Auditors' of the Company has attended the Meetings of the Audit Committee on invitation of the Chairman of the Committee.

Shri Madhusudan Agarwal, Independent Director and Chairman of the Audit Committee was present at the 27<sup>th</sup> Annual General Meeting held on 27<sup>th</sup> September, 2021.

### B. NOMINATION AND REMUNERATION COMMITTEE

#### Composition: -

The Nomination & Remuneration Committee is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulation and Section 178 of the Companies Act, 2013 and Presently, the committee comprises of four (4) members, all of whom are Independent Directors, namely Shri Ramesh Chand Surana, as the Chairman & member and Smt Pravin Tripathi, Shri Madhusudan Agarwal, Shri Ramesh Chandra Jain, as the other three members.

Post closure of FY 2021-22, Smt. Pravin Tripathi, Independent Director was appointed as member of the Nomination & Remuneration Committee w.e.f 30<sup>th</sup> May, 2022 and Smt. Nishal Jain, Independent Director, ceased to be member of the Committee w.e.f 31<sup>st</sup> May, 2022.

During the year under review, the following changes in the Committee took place:

- I) Shri Ramesh Chandra Jain was inducted as Member w.e.f 3<sup>rd</sup> May, 2021.
- II) Due to sudden demise of Shri Mahendra Kumar Dooger, the committee was reconstituted by on 22<sup>nd</sup> May, 2022 and Shri Madhusudan Agarwal was inducted as the member of the committee.

All the members of the Nomination & Remuneration Committee are Non-Executive Director.

#### 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 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

## CORPORATE GOVERNANCE REPORT (Contd.)

- 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:

During the FY 2021-2022, the Nomination & Remuneration Committee (NRC) met twice i.e. on 21<sup>st</sup> June, 2021 and 09<sup>th</sup> August, 2021.

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	
			21 <sup>st</sup> June, 2021	9 <sup>th</sup> August, 2021
1	Shri Ramesh Chand Surana	Chairman	✓	☒
2.	Shri Ramesh Chandra Jain	Member	✓	✓
3.	Smt. Nishal Jain*	Member	✓	✓
4.	Shri Madhusudan Agarwal	Member	✓	✓
5.	Smt. Pravin Tripathi**	Member	NA	NA

\* Smt. Nishal Jain ceased to be the Independent Director of the Company w.e.f. 31<sup>st</sup> May, 2022.

\*\*Post closure of FY 2021-2022, Smt. Pravin Tripathi, Independent Director was appointed as member of the Committee w.e.f 30<sup>th</sup> May, 2022.

Shri Ramesh Chand Surana, Independent Director and Chairman of the Nomination & Remuneration Committee was present at the 27<sup>th</sup> Annual General Meeting held on 27<sup>th</sup> September, 2021.

### 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 FY 2021-22 by the Board in respect of their own performance, as 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 5<sup>th</sup> January, 2017 & by ICSI.

The performance of the Independent Directors was also reviewed and evaluated by the entire Board and in such exercise, the director concerned whose performance was being evaluated, did not participate, taking into account parameters such as:

- ensuring that no action lead to loss of independence;
- absolute compliance of prevention from disclosure of confidential information, including, but not limited unpublished price sensitive information;
- support to Chairman and executive directors in instilling appropriate culture, values and behavior in the boardroom;
- Facilitating well deliberated decision making and level of participation in the affairs of the Company, gauged by the inputs/ suggestions received from director, so evaluated;
- Expressing clearly their assent, dissent or neutrality to any decision;
- Updating the Company's external environment in which it operates;
- Facilitate the promotion of the interest of the Company as a whole, in situations of conflict between management and shareholders' interest etc.



## CORPORATE GOVERNANCE REPORT (Contd.)

The performance evaluation of the Chairman and of the Non-Independent Directors was also carried out by the Independent Directors in their separate meeting held on 19<sup>th</sup> January, 2022. The Directors expressed their satisfaction with the evaluation process.

### Succession Planning

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

### Nomination & Remuneration Policy

The Company has adopted the Nomination & Remuneration Policy as required under the provisions of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of SEBI Listing Regulations. Nomination & Remuneration Policy of the Company is designed to create a high-performance culture which ensures that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors and senior management personnel, of the quality that required to run the Company successfully and also the relationship between remuneration and performance is clear and meets appropriate performance benchmarks. The Company's Policy for the appointment of Directors and Key and Senior Managerial Personnel and their Remuneration policy can be accessed on the Company's website at the web-link [https://www.kamdhenulimited.com/Financial-Results/Nomination-Remuneration-Policy\\_Kamdhenu.pdf](https://www.kamdhenulimited.com/Financial-Results/Nomination-Remuneration-Policy_Kamdhenu.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.

Remuneration for directors including Independent Directors, Key Management Personnel and Senior Management Personnel, are drawn up in consonance with the tenets as laid down in the Nomination & Remuneration Policy which seeks to ensure that 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 which seeks to ensure that depending upon the nature, quantum, importance and intricacies of the responsibilities and functions being discharged, as 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.

Company's Nomination & Remuneration Policy is market-led and takes into account the competitive circumstances of the business so as to attract and retain quality talent and leverage performance significantly. 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.

### Remuneration of Directors

#### i) Executive Directors

Shri Satish Kumar Agarwal was appointed as Chairman & Managing Director and Shri Sunil Kumar Agarwal, Shri Saurabh Agarwal and Shri Sachin Agarwal as Whole-time Director (collectively known as Executive Directors') for a period of three years with effect from 1<sup>st</sup> April, 2020 to 31<sup>st</sup> March, 2023 on remuneration and terms, as approved by the Shareholders of the Company in their 25<sup>th</sup> Annual General Meeting of the Company.

The remuneration (including performance linked incentive) paid during FY 2021-22 is within the limits and conditions approved by the Shareholders and are decided by the Board of Directors on the recommendations of the Nomination & Remuneration Committee (NRC), based on merit, key result areas and Company's performance for the year.



## CORPORATE GOVERNANCE REPORT (Contd.)

The details of remuneration paid to the Executive Directors for financial year 2021-22 are as follows:

S. No.	Name of Director	Service Term	No. of Equity Shares held	Sitting Fees (in ₹)	Salary (including perks) (in ₹) (For FY 2021-22)	Total (in ₹)
1	Shri Satish Kumar Agarwal	1 <sup>st</sup> April, 2020 to 31 <sup>st</sup> March, 2023	16,47,742 Equity Shares of having face value of ₹ 10/- each.	NA	2,28,79,200	2,28,79,200
2	Shri Sunil Kumar Agarwal	1 <sup>st</sup> April, 2020 to 31 <sup>st</sup> March, 2023	18,45,572 Equity Shares of having face value of ₹ 10/- each.	NA	2,25,79,200	2,25,79,200
3	Shri Saurabh Agarwal*	1 <sup>st</sup> April, 2020 to 31 <sup>st</sup> March, 2023	8,26,500 Equity Shares of having face value of ₹ 10/- each.	NA	2,22,79,200	2,22,79,200
4	Shri Sachin Agarwal	1 <sup>st</sup> April, 2020 to 31 <sup>st</sup> March, 2023	9,23,719 Equity Shares of having face value of ₹ 10/- each.	NA	2,22,79,200	2,22,79,200

\*Shri Saurabh Agarwal, Whole Time Director has been re-designated as Non-Executive and Non-Independent Director of the Company w.e.f 1<sup>st</sup> June, 2022.

### Service contracts, notice period, severance fees

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. A Separate Service Contract is not entered into by the Company with Executive Directors. No notice period and no severance fee is payable to any Director.

### ii) Non-Executive Directors

With changes in the Corporate Governance norms brought by the Companies Act, 2013 as well as SEBI Listing Regulations, the role of Non-Executive Directors (NEDs) and the degree and quality of their engagement with the Board and the Company has undergone significant changes over a period of time. The Company is being hugely benefited from the expertise, advice and inputs provided by the NEDs. They devote their valuable time in deliberating on the strategic and critical issues in the course of the Board and Committee meetings of the Company and give

their valuable advice, suggestion and guidance to the management of the Company.

The Company is making payment of sitting fee as mentioned below to its Independent Directors in accordance with the provisions of the Companies Act, 2013, the details of which are also provided in the Annual Return (MGT-7) as on 31<sup>st</sup> March, 2022, which is available on Company's website. The Company has also placed criteria for making payment to Non-Executive Directors on its website at [https://www.kamdhenulimited.com/Financial-Results/Nomination-Remuneration-Policy\\_Kamdhenu.pdf](https://www.kamdhenulimited.com/Financial-Results/Nomination-Remuneration-Policy_Kamdhenu.pdf)

During the FY 2021-22, 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 31<sup>st</sup> March, 2022, none of the Non-Executive Director holds any Equity Shares/Stock options. 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 (in ₹)
1.	Shri Madhusudan Agarwal	5,20,000
2.	Shri Ramesh Chand Surana	4,50,000
3.	Shri Ramesh Chandra Jain	5,40,000
4.	Smt. Nishal Jain*	3,80,000
5.	Smt. Pravin Tripathi**	NA

\* Smt. Nishal Jain ceased to be the Independent Director of the Company w.e.f. 31<sup>st</sup> May, 2022.

\*\* Post closure of FY 2021-22, Smt. Pravin Tripathi, Independent Director was appointed as member of the Committee w.e.f 30<sup>th</sup> May, 2022.

### C. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee 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 of redressal of grievances of shareholders, presently, comprised two Non- Executive Independent Directors and one Executive Promoter Director as its members namely Shri Ramesh Chand Surana, Non-executive Independent Director as the Chairman and member, Shri Saurabh Agarwal, Executive Director and Smt. Pravin Tripathi, Non-Executive - Independent Director as the other two members.

Due to sudden demise of Shri Mahendra Kumar Dooger, the committee was re-constituted by the Board of Directors of the Company on 22<sup>nd</sup> May, 2021 and Shri Ramesh Chand Surana was appointed as Chairman of the Committee and Smt Nishal Jain was inducted as the member of the committee.

Post closure of FY 2021-22, Smt. Pravin Tripathi, Independent Director was appointed as member of the Stakeholders Relationship Committee w.e.f 30<sup>th</sup> May, 2022 and Smt. Nishal Jain, Independent Director, ceased to be member of the Committee w.e.f 31<sup>st</sup> May, 2022.

#### 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 meaningfully serve the purpose of its creation and effectively discharge its responsibility works in close coordination with the Secretarial Department of the Company and the Registrar and Transfer Agent appointed by the Company. The emphasis is always on working in closely with each other so that not only the investor grievances are resolved meaningfully and in 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:

During the FY 2021-2022, the Stakeholders' Relationship Committee (SRC) met four times i.e. on 21<sup>st</sup> June, 2021, 9<sup>th</sup> August, 2021, 10<sup>th</sup> November, 2021 and 2<sup>nd</sup> February, 2022.

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

## CORPORATE GOVERNANCE REPORT (Contd.)

S. No	Name of Director	Designation	Attendance in SRC Meeting			
			21 <sup>st</sup> June, 2021	09 <sup>th</sup> August, 2021	10 <sup>th</sup> November, 2021	2 <sup>nd</sup> February, 2022
1	Shri Ramesh Chand Surana	Chairman	√	☒	√	√
2.	Shri Saurabh Agarwal	Member	√	√	√	√
3.	Smt. Nishal Jain*	Member	√	√	√	√
4.	Smt. Pravin Tripathi*	Member	NA	NA	NA	NA

\*Post closure of FY 2021-22, Smt. Pravin Tripathi, Independent Director was appointed as member of the Committee w.e.f 30<sup>th</sup> May, 2022 and Smt. Nishal Jain, Independent Director, ceased to be member of the Committee w.e.f 31<sup>st</sup> May, 2022.

Shri Ramesh Chand Surana, Independent Director and Chairman of the Stakeholders' Relationship Committee was present at the 27<sup>th</sup> Annual General Meeting held on 27<sup>th</sup> September, 2021.

### Name and Designation of Compliance Officer

Shri Khem Chand, 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 31<sup>st</sup> March, 2022

No. of Shareholders' Complaints received during the year	14
No. of complaints disposed off during the year	14
No. of complaints not resolved to the satisfaction of Shareholders	NIL
No. of pending complaints	NIL

## D. RISK MANAGEMENT COMMITTEE

Pursuant to the Regulation 21 of the SEBI Listing Regulations, as amended upto date and in compliance of recent amendment as notified by SEBI vide SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2021, the Board of Directors of the Company at their meeting held on 21<sup>st</sup> June, 2021 has constituted a Risk Management Committee, to oversee implementation of the Risk Management Policy in force in the Company, and monitor and evaluate risks, basis appropriate methodology, processes and systems.

Presently the Risk Management Committee of the Board comprises of 6 (Six) members including Shri Satish Kumar Agarwal Chairman and Managing Director of the Company, as the Chairman of the Committee and Shri Sunil Kumar Agarwal, Whole-time Director, Shri Ramesh Chand Surana, Independent Director, Shri Ramesh Chandra Jain Independent Director, Shri Harish Kumar Agarwal, Chief Financial Officer and Shri Vineet Agarwal, General Manager, as members of the Committee.

Shri Harish Kumar Agarwal, Chief Financial Officer of the Company has been appointed as the Chief Risk Officer of the Company w.e.f 10<sup>th</sup> November, 2021.

The policy has been uploaded on the website of the Company and can be accessed at the web link [https://www.kamdhenulimited.com/Financial-Results/Risk\\_Management\\_Policy.pdf](https://www.kamdhenulimited.com/Financial-Results/Risk_Management_Policy.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;



## CORPORATE GOVERNANCE REPORT (Contd.)

- The appointment, removal and terms of remuneration of the Chief Risk Officer 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 FY 2021-2022, the Risk Management Committee (RMC) met twice i.e. on 10<sup>th</sup> November, 2021 and 2<sup>nd</sup> February, 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	Risk Management Committee Meeting	
			10 <sup>th</sup> November, 2021	2 <sup>nd</sup> February, 2022
1	Shri Satish Kumar Agarwal	Chairman	✓	✓
2.	Shri Sunil Kumar Agarwal	Member	✓	✓
3.	Shri Ramesh Chand Surana	Member	✓	✓
4.	Shri Ramesh Chandra Jain	Member	✓	✓
5.	Shri Harish Kumar Agarwal	Member	✓	✓
6.	Shri Vineet Agarwal	Member	✓	✓

### E. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee of the Board presently, comprises of three members, namely, Shri Satish Kumar Agarwal as the Chairman, Shri Sunil Kumar Agarwal and Smt. Pravin Tripathi, as other two members

During the year under review, due to sudden demise of Shri Mahendra kumar Dooger the committee was reconstituted by the Board of Directors w.e.f 22<sup>nd</sup> May, 2021 and Smt. Nishal Jain was inducted as the member of the committee.

Post closure of FY 2021-22 Smt. Pravin Tripathi, Independent Director was appointed as member of the Committee w.e.f 30<sup>th</sup> May, 2022 and Smt. Nishal Jain, Independent Director, ceased to be member of the Committee w.e.f 31<sup>st</sup> May, 2022.

CSR Committee is primarily responsible for formulating and monitoring the implementation of the framework of Corporate Social Responsibility Policy and matters related to its overall governance.

The Corporate Social Responsibility Committee was formed pursuant to section 135 of the Companies Act, 2013 as amended read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 to:

- formulate and recommend to the Board, a Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company as specified in Schedule VII to the Act,
- recommend the amount of expenditure to be incurred on such activities, action plan.
- oversee and review the effective implementation of the CSR activity
- To ensure compliance of all related applicable regulatory requirements
- review and monitor the Corporate Social Responsibility Policy of the Company from time to time.

The Annual Report on CSR activities for the Financial Year FY 2021-22 forms part of the Board's Report.

The Corporate Social Responsibility Policy of the Company ("CSR Policy") is available on the website of the Company <https://www.kamdhenulimited.com/Financial-Results/CORPORATE-SOCIAL-RESPONSIBILITY-POLICY.PDF>.

## CORPORATE GOVERNANCE REPORT (Contd.)

### Meetings and attendance during the year:

During the FY 2021-2022, the Corporate Social Responsibility Committee (CSR Committee) met twice i.e. on 21<sup>st</sup> June, 2021 and 2<sup>nd</sup> February, 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	CSR Committee Meeting	
			21 <sup>st</sup> June , 2021	2 <sup>nd</sup> February, 2022
1	Shri Satish Kumar Agarwal	Chairman	√	√
2.	Shri Sunil Kumar Agarwal	Member	√	√
3.	Smt. Nishal Jain*	Member	√	√
4.	Smt. Pravin Tripathi**	Member	NA	NA

\* Smt. Nishal Jain ceased to be the Independent Director of the Company w.e.f. 31<sup>st</sup> May, 2022.

\*\*\* Smt. Pravin Tripathi, Independent Director was appointed as member of the Committee w.e.f 30<sup>th</sup> May, 2022.

## 4. GENERAL BODY MEETINGS

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

Annual General Meeting (AGM)	Year	Location of AGM	Date of AGM	Time
27 <sup>th</sup> AGM	FY 2020-21	Held through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")	27 <sup>th</sup> September, 2021	10.00 A.M
26 <sup>th</sup> AGM	FY 2019-20	Held through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")	28 <sup>th</sup> September, 2020	10.00 A.M
25 <sup>th</sup> AGM	FY 2018-19	Hotel Pride Plaza, Aero City, New Delhi-110037	30 <sup>th</sup> September, 2019	10.00 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
27 <sup>th</sup> AGM	27 <sup>th</sup> September, 2021	To Re-appoint Shri Ramesh Chandra Jain as an Independent Director of the Company
26 <sup>th</sup> AGM	28 <sup>th</sup> September, 2020	Nil
25 <sup>th</sup> AGM	30 <sup>th</sup> September, 2019	I. To appoint Shri Mahendra Kumar Doogar as an Independent Director. II. To appoint Shri Ramesh Chandra Jain as an Independent Director

**CORPORATE GOVERNANCE REPORT (Contd.)**

Annual General Meeting (AGM)	Date of AGM	Details of Special Resolution passed, if any
25 <sup>th</sup> AGM	30 <sup>th</sup> September, 2019	<p>III. To appoint Shri Ramesh Chand Surana as an Independent Director</p> <p>IV. To appoint Smt Nishal Jain as an Independent Director</p> <p>V. To Re-appoint Shri Satish Kumar Agarwal as Whole-Time Director of the Company and approval of remuneration payable to him with effect from 1<sup>st</sup> April, 2020 upto 31<sup>st</sup> March, 2023.</p> <p>VI. To Re-appoint Shri Sunil Kumar Agarwal as Whole-Time Director of the Company and approval of remuneration payable to him with effect from 1<sup>st</sup> April, 2020 upto 31<sup>st</sup> March, 2023.</p> <p>VII. To Re-appoint Shri Saurabh Agarwal as Whole-Time Director of the Company and approval of remuneration payable to him with effect from 1<sup>st</sup> April, 2020 upto 31<sup>st</sup> March, 2023.</p> <p>VIII. To Re-appoint Shri Sachin Agarwal as Whole-Time Director of the Company and approval of remuneration payable to him with effect from 1<sup>st</sup> April, 2020 upto 31<sup>st</sup> March, 2023.</p>

**Meetings convened as per the direction received by Hon'ble National Company Law Tribunal, Chandigarh Bench during the Financial Year FY 2021-22.**

Type of Court Convened Meeting	Location of Meeting	Date of Meeting	Time	Details of Resolutions passed
Equity Shareholders Meeting	Held through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")	25 <sup>th</sup> September, 2021	10:00 A.M. (IST)	Approval of the proposed Scheme of Arrangement 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, Kamdhenu Limited, Kamdhenu Ventures Limited and Kamdhenu Color and Coatings Limited, and other connected matters, if any.
Secured Creditors Meeting	Held through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")	25 <sup>th</sup> September, 2021	01:00 P.M. (IST)	Approval of the proposed Scheme of Arrangement 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, Kamdhenu Limited, Kamdhenu Ventures Limited and Kamdhenu Color and Coatings Limited, and other connected matters, if any.

## CORPORATE GOVERNANCE REPORT (Contd.)

Type of Court Convened Meeting	Location of Meeting	Date of Meeting	Time	Details of Resolutions passed
Un-secured Creditors Meeting	Held through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")	25 <sup>th</sup> September, 2021	03:00 P.M. (IST)	Approval of the proposed Scheme of Arrangement 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, Kamdhenu Limited, Kamdhenu Ventures Limited and Kamdhenu Color and Coatings Limited, and other connected matters, if any.

### Extra-Ordinary General Meeting of the Company.

Date	Mode of Meeting	Time	Particulars
10 <sup>th</sup> March, 2022	Held through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")	11:00 A.M.	Approval for Increase in Authorized Share Capital of the Company and Consequential Amendment in Memorandum of Association of the Company

### Postal Ballot during the Financial Year FY 2021-22

No postal ballot was conducted during Financial Year FY 2021-22

## 5. MEANS OF COMMUNICATIONS

**Financial Results:** The quarterly, half-yearly and annual financial results of the Company are generally published as per the requirements of Regulation 33 & 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: <https://www.kamdhenulimited.com/financial-result.php>.

**Website:** The Company's website i.e. [www.kamdhenulimited.com](http://www.kamdhenulimited.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. The entire Annual Report as well as quarterly, half yearly, annual financial statements, press releases, quarterly shareholding patterns and quarterly corporate governance reports are available in downloadable format as a measure of added convenience to the investors.

**News Releases, Presentations, etc.:** The Press release/ Presentations made to analysts/institutional investors are uploaded on the Company's website. Official press/media releases are also sent to the Stock Exchanges.

**Annual Report:** The Annual Report containing, inter-alia, the Audited Annual Standalone Financial Statements, Audited Annual Consolidated Financial Statements, Directors' Report, Auditor's Report on Standalone and Consolidated financial statements, Management Discussion and Analysis Report, Corporate Governance Report, Business Responsibility Report and other important information is circulated to members and others entitled thereto as per the provisions of the applicable laws. The Annual Report of the Company for FY 2021-22 shall be available on the Company's website.

**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@kamdhenulimited.com](mailto:cs@kamdhenulimited.com) for investors service.



## CORPORATE GOVERNANCE REPORT (Contd.)

### 6. 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 L27101HR1994PLC092205.

#### B. 28<sup>th</sup> Annual General Meeting

Date and Time : 28th July, 2022 at 11:30 A.M.

Venue : The Company will be conducting AGM through VC/ OAVM deemed venue of the Meeting will be 2<sup>nd</sup> Floor, Tower-A, Building No.9, DLF Cyber City, Phase-III, Gurgaon, 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 this 28<sup>th</sup> AGM.

#### D. Financial Year: 1<sup>st</sup> April 2021 to 31<sup>st</sup> March 2022

#### E. Dividend Payment Date

The Board of Directors of your Company has recommended a Final Dividend of ₹ 1 (Rupee One) per equity share of ₹ 10/- each for the financial year FY 2021-22. Date of payment of dividend would be within 30 days from the date of AGM, if approved by the shareholders.

#### F. Date of Book Closure

Information about the Book Closure dates has been provided in the Notice convening the AGM, which is annexed to Annual Report.

#### 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: KAMDHENU**

**The National Stock Exchange of India Limited (NSE),**

Exchange Plaza, C-1, Block G, Bandra Kurla

Complex, Bandra (E), Mumbai- 400 051 **Scrip Code: KAMDHENU**

**BSE Limited (BSE),**

Phiroze Jeejeebhoy Towers,

Dalal Street, Mumbai- 400 001 **Scrip code : 532741**

The ISIN of Kamdhenu Limited on both the NSDL and CDSL is **INE390H01012**

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

#### H. Stock Market Data:

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 FY 2021-22 are as under:

Month	Share Price at NSE		Nifty Monthly Closing	Share Price at BSE		Sensex Monthly Closing
	Low	High		Low	High	
April 2021	137.30	164.90	14,631.10	130.05	165.10	48,782.36
May 2021	135.30	167.00	15,582.80	136.10	166.95	51,937.44
June 2021	148.50	175.70	15,721.50	149.55	179.10	52,482.71
July 2021	158.80	185.40	15,763.05	158.60	185.00	52,586.84

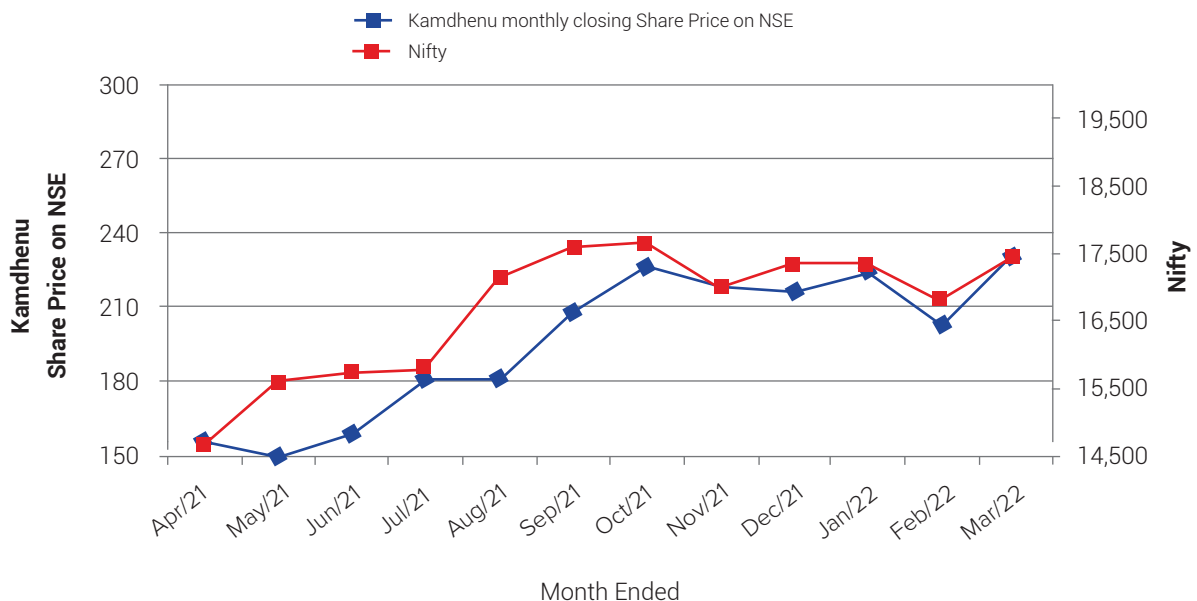
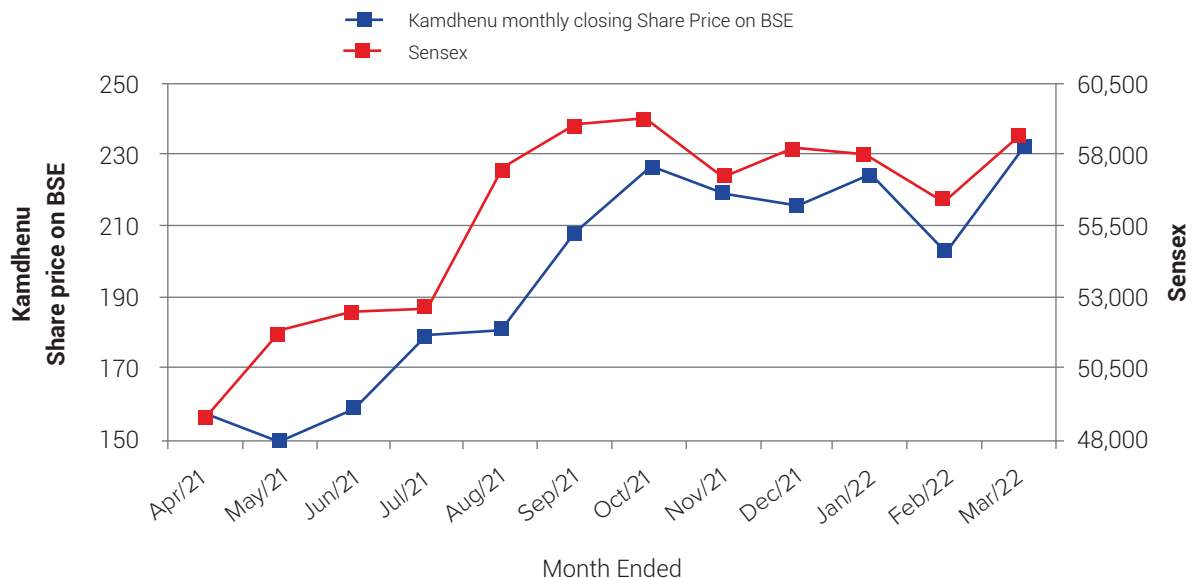


## CORPORATE GOVERNANCE REPORT (Contd.)

Month	Share Price at NSE		Nifty Monthly Closing	Share Price at BSE		Sensex Monthly Closing
	Low	High		Low	High	
August 2021	151.75	194.90	17132.20	151.55	195.00	57,552.39
September 2021	173.00	213.60	17618.15	172.55	213.15	59,126.36
October 2021	204.00	268.30	17671.65	207.25	280.00	59,306.93
November 2021	211.45	256.35	16983.2	210.30	256.45	57,064.87
December 2021	200.05	244.45	17354.05	203.55	244.00	58,253.82
January 2022	208.75	236.95	17339.85	208.25	237.85	58,014.17
February 2022	192.55	240.95	16793.9	193.00	238.00	56,247.28
March 2022	185.60	247.00	17464.75	185.50	248.00	58,568.51

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 FY 2021-22.

### K. Registrar to an issue and Share Transfer Agents

M/s KFin Technologies Limited (formerly known as KFin Technologies Private Limited) are the Registrar and Transfer Agents of the Company for handling the share related matters both in physical and dematerialized mode and for other correspondence.

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

Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda

Serilingampally, Rangareddi, Hyderabad-500032, Telngana, India

Phone : +91 040 6716 1518,

E-mail: suresh.d@kfintech.com, einward.ris@kfintech.com

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

### L. Share Transfer System

In terms of the SEBI Listing Regulations, 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 SEBI 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.

### M. (i) Distribution of Shareholding as at 31<sup>st</sup> March, 2022.

S. No.	Category (Shares)	No. of Holders*	% To Holders	No. of Shares	% To Equity
1	Upto 5000	15,057	98.76	32,55,228	12.09
2	5001 - 10000	78	0.51	5,76,113	2.14
3	10001 - 20000	39	0.26	5,83,514	2.17
4	20001 - 30000	11	0.07	2,81,240	1.04
5	30001 - 40000	6	0.04	2,07,315	0.77
6	40001 - 50000	8	0.05	3,67,331	1.36
7	50001 - 100000	15	0.10	11,14,442	4.14
8	100001 and above	32	0.21	2,05,50,317	76.29
	<b>TOTAL:</b>	<b>15,246</b>	<b>100.00</b>	<b>2,69,35,500</b>	<b>100.00</b>

### (ii) Ownership Pattern as on 31<sup>st</sup> March, 2022

S.No	Category	No. of Shareholders*	No. of Shares	% to Total Holding
1	Promoters and Promoters Bodies Corporate	22	1,73,15,887	64.29
2	Resident Individuals	14,549	70,45,590	26.16
3	Bodies Corporates	122	15,00,163	5.57
4	Employees	53	4,23,378	1.57
5	H U F	326	3,71,662	1.38
6	Clearing Members	27	35,056	0.13
7	Mutual Funds	1	88,000	0.33
8	Foreign Portfolio Investors	2	58,672	0.22
9	Non-Resident Indians	142	69,093	0.26
10	I E P F	1	25,999	0.1
11	NBFC	1	2,000	0.01
	<b>Total</b>	<b>15,246</b>	<b>2,69,35,500</b>	<b>100</b>

\*Note : Number of Shareholders have been clubed PAN wise.

## CORPORATE GOVERNANCE REPORT (Contd.)

### 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). As at 31<sup>st</sup> March, 2022, 2,69,35,268 Equity shares out of 2,69,35,500 Equity Shares of the Company, forming almost 100.00% of the Company's paid up capital is held in the dematerialized form. Majority of demat shares are with National Securities Depository Limited. 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 Folio wise	Total Shares	Percentage
Physical	106	232	-
NSDL	6,126	2,19,55,922	81.51
CDSL	9,310	49,79,346	18.49
Total	15,611	2,69,35,500	100.00

International Securities Identification Number (ISIN) allotted to the Company by NSDL and CDSL is **INE390H01012**.

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 FY 2021-22, hence the disclosure pursuant to SEBI Circular dated 15<sup>th</sup> November, 2018 is not required to be given.

### Q. Plant locations:

**Steel Division** : A-1112 & A-1114, RIICO Industrial Area, Phase-III, Bhiwadi, District Alwar-301019, Rajasthan.  
Phone: 01493-520401-430  
Fax:01493-520428

**Paint Division** : E-538-539 A, Industrial Area, Chopanki, Distt. Alwar, Rajasthan.  
Phone: 01493-306801-820  
Fax:01493-306810

### R. Address for Correspondence

Kamdhenu Limited: 2<sup>nd</sup> Floor, Tower A, Building No. 9,  
DLF Cyber City, Phase-III, Gurgaon-122002 (Haryana)  
Phone: 0124-4604500

**Email:** kamdhenu@kamdhenulimited.com

### S. Credit Ratings

CARE Ratings Limited has assigned CARE A Negative for the Long Term Bank Facilities and CARE AA for the Short Term Bank Facility

## 7. OTHER DISCLOSURES

### A. Material Significant Related Party Transactions:

No materially significant Related Party Transaction was entered by the Company with its Promoters, Key Managerial Personnel or other related persons which may have potential conflict with the interest of the Company at large. The Policy on materiality of Related Party Transactions and also on dealing with such transactions is available on the website of the Company at [https://www.kamdhenulimited.com/Financial-Results/Policy-for-determining-the-material-RPT\\_Amended-02022022.pdf](https://www.kamdhenulimited.com/Financial-Results/Policy-for-determining-the-material-RPT_Amended-02022022.pdf)

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.



## CORPORATE GOVERNANCE REPORT (Contd.)

### **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 by any of these authorities except mentioned below:

- National Stock Exchange of India Limited (NSE) on 18<sup>th</sup> January, 2021 issued a Notice for delayed compliance of Regulation 23(9) of Listing Regulations Pursuant to which Company has paid a penalty of ₹ 2,47,800/- to NSE. BSE Limited (BSE) on 5<sup>th</sup> February, 2021 issued a Notice for delayed compliance of Regulation 23(9) of Listing Regulations. Pursuant to which Company has paid a penalty of ₹ 2,47,800/- to BSE.

### **C. Vigil mechanism/ Whistle blower policy:**

The Company has in place a highly effective Whistle Blower Policy which sets out the process and mechanism whereby employees at various levels in the organization can bring to the notice of the management any violations of the applicable laws, regulations as also any unethical or unprofessional conduct.

All such reports are taken up for consideration at appropriate intervals depending upon the gravity of the matter reported so that adequate rectifying measures can be initiated in the right earnest, at the appropriate levels.

Further, in order to encourage the employees to freely air their views and voice their concerns on various matters and to prevent any victimization of the employees, identity of the employees is kept strictly confidential. It would be pertinent to mention here that the Audit Committee set by the Board, constitutes a vital component of the Whistle Blower Mechanism and instances of financial misconduct, if any, are reported to the Audit committee.

We affirm, that no employee is denied to have a direct access to the Chairman of the Audit Committee. The Policy on vigil mechanism/ Whistle Blower Policy may be accessed on the Company's website at the link: [https://www.kamdhenulimited.com/Financial-Results/Whistle-Blower-Policy\\_Kamdhenu.pdf](https://www.kamdhenulimited.com/Financial-Results/Whistle-Blower-Policy_Kamdhenu.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.

### **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 / un-paid for a period of seven years, are to be transferred statutorily to the Investor Education and Protection Fund (IEPF) administered by the Central Government. To ensure maximum disbursement of unclaimed dividend, the Company sends reminders to the concerned investors at appropriate intervals. Further, according to the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (the "IEPF Rules"), the shares in respect of which dividends are unclaimed/ un-paid by the members for seven consecutive years or more are also required to be transferred to the demat account created by the IEPF Authority.

In compliance with the provision of Section 124 of the Act and IEPF Rules, the Company during the financial year under review, the Company has transferred 25,999 equity shares to the demat account of the IEPF Authority. The details of such shares are available on the website of the Company at <https://www.kamdhenulimited.com/investor-info.php>

Shareholders are requested to check the list uploaded on the website of the Company for dividend remain unpaid and if any dividend are due to them remains unpaid in terms of said lists, they can approach the Company/ Registrar and Share Transfer Agent of the Company i.e. Kfin Technologies Limited (erstwhile KFin Technologies Private Limited) for release of their unpaid dividend.

## CORPORATE GOVERNANCE REPORT (Contd.)

### F. Transfer of Unclaimed Dividend amounts to Investor Education and Protection Fund

The Company is required to transfer dividends which have remained unpaid/ unclaimed for a period of seven years to the Investor Education and Protection Fund (IEPF) established by the Central Government.

Members who have not so far encashed their dividend warrant(s) are requested to seek revalidation of dividend warrants by writing to the Company's Registrar and Transfer Agents, KFin Technologies Limited or Company, immediately without any further delay.

Information w.r.t unclaimed dividends due for transfer to the Investor Education and Protection Fund is as follows:

S. No	Financial Year	Date of AGM in which Dividend declared	Rate of Dividend (%)	Proposed year of transfer to IEPF
1	FY 2014-2015	29.09.2015	7%	2022
2	FY 2015-2016	27.09.2016	7%	2023
3	FY 2016-2017	29.09.2017	8%	2024
4	FY 2017-2018	24.09.2018	10%	2025
5	FY 2018-2019	30.09.2019	10%	2026
6	FY 2019-2020	28.09.2020	5%	2027
7	FY 2020-2021	27.09.2021	8%	2028

### G. 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.kamdhenulimited.com/Financial-Results/POLICY-FOR-DETERMINATION-OF-MATERIALITY-OF-EVENTS-AND-INFORMATION.PDF>

### H. Weblink for policy on Related Party Transaction:

Policy on dealing with related party transactions is available at [https://www.kamdhenulimited.com/Financial-Results/Policy-for-determining-the-material-RPT\\_Amended-02022022.pdf](https://www.kamdhenulimited.com/Financial-Results/Policy-for-determining-the-material-RPT_Amended-02022022.pdf) .

### I. Disclosure of commodity price risks and commodity hedging activities:

Not Applicable

### J. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A):

During FY 2021-22, the Company has not raised any fund through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of Listing Regulations.

### K. 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 Shashikant Tiwari (M.No.: FCS 11919, CP No. 13050), Practicing Company Secretary, has submitted a certificate to this effect, which being enclosed at the end of this Report.

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

### M. Fees paid to Statutory Auditors of the Company:

Amount in ₹

Particulars	Year ended 31 <sup>st</sup> March, 2022		
	Company	Subsidiaries	Total
Statutory audit fee	5,25,000	30,000	5,55,000
Taxation matters	75,000	-	75,000
<b>Total</b>	<b>6,00,000</b>	<b>30,000</b>	<b>6,30,000</b>



## CORPORATE GOVERNANCE REPORT (Contd.)

### N. 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 FY 2021-22	0
Number of complaints disposed of during the Financial Year FY 2021-22	0
Number of complaints pending as on end of the Financial Year FY 2021-22	0

### O. 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.

### P. 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.

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

#### (a) The Board:

As the Chairman of the Company is an Executive Chairman, hence the provision on entitlement of chairperson's office at the expense of the Company in case of a non-executive chairperson is not applicable.

**(b) Shareholder Rights:** Quarterly financial statements are published in leading newspapers and uploaded on Company's website <https://www.kamdhenulimited.com> and also uploaded on the Stock Exchanges where the shares of the Company are listed

**(c) 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.

**(d) Separate posts of Chairperson and CEO:** Presently, Shri Satish Kumar Agarwal is the Chairman & Managing Director of the Company.

**(e) Reporting of Internal Auditor:** The Company appointed DMRN & Associates as the Internal Auditors for conducting the internal audit for the financial year FY 2021-22, representatives whereof report to the CMD and CFO and has direct access to the Audit Committee.

### R. 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 Shashikant Tiwari (FCS 11919, CP 13050), Practising Company Secretary certifying the compliance with the conditions of Corporate Governance and forms a part of this Annual Report.

### S. Chairman & Managing Director and Chief Financial Officer Certification

Shri Satish Kumar Agarwal, Chairman & Managing Director and Shri Harish Kumar 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.

## CORPORATE GOVERNANCE REPORT (Contd.)

### T. 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: 6 Outstanding Shares: 2,858
(b)	number of shareholders who approached listed entity for transfer of shares from suspense account during the year;	NIL
(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: 6 Outstanding Shares: 2,858
(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.

### 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, Satish Kumar 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 FY 2021-22.

Date: 30<sup>th</sup> May, 2022  
Place: Gurugram

(Satish Kumar Agarwal)  
Chairman & Managing Director  
DIN: 00005981

**CHAIRMAN & 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 31<sup>st</sup> March, 2022)

**To,  
The Board of Directors  
Kamdhenu Limited**

We have reviewed the Financial Statements and the Cash Flow Statement for the Financial Year ended 31<sup>st</sup> March, 2022 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 31<sup>st</sup> March, 2022 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 FY 2021-22;
- f) That there have been no significant changes in the accounting policies during FY 2021-22.
- 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: 30<sup>th</sup> May, 2022  
Place: Gurugram

**Satish Kumar Agarwal**  
**Chairman & Managing Director**  
**DIN: 00005981**

**Harish 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 Limited**  
2<sup>nd</sup> Floor, Tower A, Building No. 9,  
DLF Cyber City, Phase-III, Gurugram,  
Haryana-122002

We have examined all relevant records of Kamdhenu 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 31<sup>st</sup> March, 2022. 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

**Shashikant Tiwari**  
Partner

Membership No. F 11919  
Certificate of Practice No. 13050  
UDIN: F011919D000384247

Date: 30<sup>th</sup> May, 2022  
Place: Delhi

**Note:**

1. Due to restricted movement amid COVID-19 pandemic, 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. 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.

**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 Limited**  
2<sup>nd</sup> 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 Limited and having CIN L27101HR1994PLC092205 and having registered office at 2<sup>nd</sup> 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, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2022 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 Satish Kumar Agarwal	00005981	12 <sup>th</sup> September, 1994
2	Shri Sunil Kumar Agarwal	00005973	1 <sup>st</sup> January, 2003
3	Shri Saurabh Agarwal	00005970	1 <sup>st</sup> January, 2003
4	Shri Sachin Agarwal	01188710	14 <sup>th</sup> April, 2007
5	Shri Madhusudan Agarwal	00338537	2 <sup>nd</sup> May, 2021
6	Shri Ramesh Chand Surana	00089854	30 <sup>th</sup> May, 2012
7	Smt Nishal Jain*	06934656	31 <sup>st</sup> July, 2014
8	Shri Ramesh Chandra Jain	00038529	2 <sup>nd</sup> May, 2019

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

**Shashikant Tiwari**  
Partner

Membership No.: F 11919  
Certificate of Practice No.: 13050  
UDIN: F011919D000384115

Date: 30<sup>th</sup> May, 2022  
Place: Delhi

**Note:**

- Due to restricted movement amid COVID-19 pandemic, 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 LIMITED

#### REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

##### Opinion

We have audited the accompanying standalone financial statements of KAMDHENU LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2022, 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, 2022, the profit 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 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 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 accounting policies; making judgments and estimates that are reasonable and



## INDEPENDENT AUDITORS' REPORT (Contd.)

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 reasonable ness 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 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 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.

From the matters communicated with those charged with governance, we determine those matters that were of

## INDEPENDENT AUDITORS' REPORT (Contd.)

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, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- 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 Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii. There has been no delay in transferring 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 belief, no funds (which are material either individually or in the aggregate)



## INDEPENDENT AUDITORS' REPORT (Contd.)

- 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. As stated in Note 14 (d) and 55 to the standalone financial statements
- (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
- (b) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
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 **BSD & Co.**

Chartered Accountants

Firm's registration number: 000312S

**Surendra Khinvasra**

Partner

Membership number: 070804

UDIN: 22070804AJXSHB6182

Place: Gurgaon

Date: 30<sup>th</sup> May, 2022

## **ANNEXURE - A** **TO THE 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 Limited** ("the Company") as of 31<sup>st</sup> March, 2022 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 not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future



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

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 31<sup>st</sup> March, 2022, 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 **BSD & Co.**  
Chartered Accountants  
Firm's registration number: 000312S

**Surendra Khinvasra**  
Partner  
Membership number: 070804  
UDIN: 22070804AJXSHB6182

Place: Gurgaon  
Date: 30<sup>th</sup> May, 2022



## **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 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) In respect of the Company Property, Plant and Equipment:
  - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right -of- use assets.
    - (B) The Company do not have any intangible assets.
  - (b) The Company has a program of physical verification of Property, Plant and Equipment and right-of-use of assets so as to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) Based on our examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed/ transfer deed/ conveyance deed provided to us, we report that, the title in respect of self – constructed buildings and title deeds of all other immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
- (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use of assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at 31<sup>st</sup> March, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016)" and rules made thereunder.
  - ii) (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, physical verification of the inventory has been conducted at reasonable intervals by the management and the coverage and procedure of such verification by the management is appropriate. There are no discrepancies of 10% or more in the aggregate for each class of inventory and have been properly dealt with in the books of accounts
    - (b) The Company has been sanctioned working capital limits in excess of ₹ 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 and the quarterly return or statements filed by the Company with such banks or financial institutions are in agreement with the books of accounts of the Company.
  - iii) The Company has made investments in, subsidiary and also in mutual funds and has not granted unsecured loans to other parties, during the year. The investments made earlier/ during the year in subsidiary company and in mutual fund is not prejudicial to the interest of the Company.

The Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.



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

- iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees and securities granted during the year in respect of which provisions of section 185 and 186 of the Companies Act, 2013 are applicable.
- 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) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148 (i) of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained, however, we have not made a detailed examination of such cost records.
- 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, 2022 for a period of more than six months from the date they became payable.

- b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022 on account of disputes are given below:

Nature of the statute	Nature of dues	Amount Rs. in Lakhs	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Penalty	297.00	2008-09	CESTAT- Mumbai/Delhi /Allahabad
Central Excise Act, 1944	Penalty	607.64	2008-09	Appeal to be filed
Income Tax Act, 1961	Income Tax Demand	567.53	2017-18	National Faceless Appeal Centre (NFAC)
Income Tax Act, 1961	Income Tax Demand	2.69	2018-19	National Faceless Appeal Centre (NFAC)

- 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) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any other authority.
- c) The term loans were applied for the purpose for which the loan was obtained.
- d) 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.
- e) 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 subsidiaries.
- f) 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 has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x) (b) of the Order is not applicable.

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

- 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 upto the date of this report.
- c) In our opinion and on the basis of information and explanation given to us, no whistle blower complaints has been 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 not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii) There has been no resignation of statutory auditors of the Company during the year.
- 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 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.



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

- xx) a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII of the Companies Act in compliance with second proviso to sub-section (5) of section 153 of the said Act.

Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

- b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount as at the end of financial year, to a special account within a period of 30 days from the end of the said financial year

in compliance with the provision of section 135(6) of the Act.

For **BSD & Co.**

Chartered Accountants

Firm's registration number: 000312S

**Surendra Khinvasra**

Partner

Membership number: 070804

UDIN: 22070804AJXSHB6182

Place: Gurgaon

Date: 30<sup>th</sup> May, 2022

## STANDALONE BALANCE SHEET

### AS AT 31ST MARCH, 2022

(₹ in Lakhs)

Particulars	Note No.	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>ASSETS</b>			
<b>1. Non-Current Assets</b>			
(a) Property, Plant and Equipment	1	8,849.44	8,575.94
(b) Capital Work in Progress	1	99.48	75.52
(c) Right of Use Assets	1	462.43	500.33
(d) Financial Assets			
(i) Investment in subsidiary	2	4.04	4.04
(ii) Other Investment	2	198.09	235.20
(iii) Loans	3	18.08	8.60
(iv) Other Financial Assets	4	312.77	296.39
(e) Other Non-Current Assets	5	1,270.47	1,113.23
<b>Total Non-Current Assets</b>		<b>11,214.80</b>	<b>10,809.25</b>
<b>2. Current Assets</b>			
(a) Inventories	6	7,743.27	6,728.67
(b) Financial Assets			
(i) Investment	7	967.90	617.23
(ii) Trade Receivables	8	19,818.95	19,975.78
(iii) Cash and Cash Equivalents	9	1,197.25	235.97
(iv) Bank Balances other than (iii) above	10	202.26	172.19
(v) Loans	11	37.48	42.67
(vi) Other Financial Assets	12	450.24	2,585.68
(c) Other Current Assets	13	2,605.03	1,945.65
<b>Total Current Assets</b>		<b>33,022.38</b>	<b>32,303.84</b>
<b>Total Assets</b>		<b>44,237.18</b>	<b>43,113.09</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	14	2,693.55	2,693.55
(b) Other Equity	15	19,119.98	16,784.14
<b>Total Equity</b>		<b>21,813.53</b>	<b>19,477.69</b>
<b>Liabilities</b>			
<b>1. Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	16	1,267.38	236.00
(ii) Lease Liabilities	17	467.43	505.86
(iii) Other Financial Liabilities	18	956.42	743.51
(b) Provisions	19	563.88	416.16
(c) Deferred Tax Liabilities (Net)	20	353.45	542.10
<b>Total Non-Current Liabilities</b>		<b>3,608.56</b>	<b>2,443.63</b>
<b>2. Current Liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	22	7,459.84	9,128.91
(ii) Lease Liabilities	23	170.12	152.34
(iii) Trade Payables	24		
- total outstanding dues of micro enterprises and small enterprises		1,385.61	1,775.60
- total outstanding dues of creditors other than micro enterprises and small enterprises		7,663.57	8,117.06
(iv) Other Financial Liabilities	25	1,096.75	1,113.78
(b) Other Current Liabilities	26	937.04	837.67
(c) Provisions	27	89.55	66.41
(d) Current Tax Liabilities (net)		12.61	-
<b>Total Current Liabilities</b>		<b>18,815.09</b>	<b>21,191.77</b>
<b>Total Liabilities</b>		<b>22,423.65</b>	<b>23,635.40</b>
<b>Total Equity and Liabilities</b>		<b>44,237.18</b>	<b>43,113.09</b>

Significant Accounting Policies

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached

**For B S D & CO.**

Chartered Accountants

Firm Registration No. 000312S

**(Surendra Khinvasra)**

Partner

Membership No.070804

Date : 30<sup>th</sup> May, 2022

Place: Gurgaon

For and on behalf of Board of Directors of

**Kamdhenu Limited**

**(Satish Kumar Agarwal)**

Chairman & Managing Director

DIN: 00005981

**(Harish Kumar Agarwal)**

Chief Financial Officer

**(Sunil Kumar Agarwal)**

Whole Time Director

DIN: 00005973

**(Khem Chand)**

Company Secretary



## STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ in Lakhs)

Particulars	Note No.	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
I Revenue from Operations	28	84,075.63	62,522.13
II Other Income	29	198.42	349.38
<b>III Total Income (I+II)</b>		<b>84,274.05</b>	<b>62,871.51</b>
<b>IV Expenses:</b>			
Cost of Materials Consumed	30	51,998.00	35,048.89
Purchases of Stock-in-Trade	31	9,209.73	6,747.97
Changes in Inventory of Finished Goods, Work-in-Process and Stock-in-Trade	32	(754.30)	1,098.10
Employee Benefits Expense	34	6,024.64	4,804.84
Finance Costs	35	1,014.37	1,358.83
Depreciation & Amortization Expense	36	926.09	866.29
Other Expenses	37	11,767.76	9,847.25
<b>Total Expenses (IV)</b>		<b>80,186.29</b>	<b>59,772.17</b>
<b>V Profit before exceptional items and tax (III-IV)</b>		<b>4,087.76</b>	<b>3,099.34</b>
VI Exceptional Items (Refer note no. 33)	33	583.09	1,003.37
<b>VII Profit/(Loss) before tax (V-VI)</b>		<b>3,504.67</b>	<b>2,095.97</b>
<b>VIII Tax Expenses:</b>	21		
(1) Current Tax		1,033.42	595.47
(2) Deferred Tax		(164.21)	(10.57)
(3) Income Tax of earlier years		3.57	1.96
<b>Total Tax Expenses (VIII)</b>		<b>872.78</b>	<b>586.86</b>
<b>IX Profit for the year after Tax (VII-VIII)</b>		<b>2,631.89</b>	<b>1,509.11</b>
<b>X Other Comprehensive Income:</b>			
<b>A. Items that will not be reclassified to profit or loss:</b>			
(i) Fair Value of Investments in Equity		(37.11)	(32.40)
(ii) Actuarial (Losses)/ Gain on defined benefit plans		(67.91)	18.48
(iii) Tax impact on above		24.45	8.17
<b>XI Total Comprehensive Income for the year (IX+X)</b>		<b>2,551.32</b>	<b>1,503.36</b>
<b>XII Earnings per equity share of face value of ₹ 10 each</b>	39		
Basic ( In ₹)		9.77	5.62
Diluted ( In ₹)		9.77	5.62

### Significant Accounting Policies

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached

#### For B S D & CO.

Chartered Accountants

Firm Registration No. 000312S

#### (Surendra Khinvasra)

Partner

Membership No.070804

Date : 30<sup>th</sup> May, 2022

Place: Gurgaon

For and on behalf of Board of Directors of

#### Kamdhenu Limited

#### (Satish Kumar Agarwal)

Chairman & Managing Director

DIN: 00005981

#### (Harish Kumar Agarwal)

Chief Financial Officer

#### (Sunil Kumar Agarwal)

Whole Time Director

DIN: 00005973

#### (Khem Chand)

Company Secretary

## STANDALONE STATEMENT OF CASH FLOW

### FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit Before Tax</b>	3,504.67	2,095.97
Non cash adjustment to Profit Before Tax:		
Interest Income	(15.98)	(17.72)
Depreciation and amortization	926.09	866.29
Interest Expenses	1,014.37	1,358.83
Remeasurement of the Defined Benefit Plan	102.95	44.07
Write down Insurance Claim	583.09	1,003.37
Loss/ (Gain) on disposal of Property, Plant and Equipment	(0.87)	(1.38)
Unrealised Loss/(Gain) on valuation of PMS measured at fair value(net)	(105.91)	(263.93)
Ind AS adjustment	(4.77)	(6.99)
Provision for Expected Credit Loss	388.97	275.24
<b>Operating profit before working capital changes</b>	<b>6,392.61</b>	<b>5,353.75</b>
<b>Net Change in</b>		
Inventories	(1,014.60)	1,095.54
Trade Receivables	(232.14)	982.10
Other Bank Balances	(30.07)	53.60
Other Financial Assets	1,541.07	609.97
Other Current Assets	(659.38)	(68.68)
Other Non Current Assets	(157.24)	(23.60)
Trade Payables	(873.66)	(2,316.55)
Other Current Financial Liabilities	118.87	(24.71)
Other Current Liabilities	99.37	(56.37)
Other Non-Current Financial Liabilities	205.41	14.06
<b>Cash Used from Operation</b>		
Income Taxes paid (net)	(1,024.38)	(597.43)
<b>Net Cash Flow from Operating Activities (A)</b>	<b>4,365.86</b>	<b>5,021.68</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Payment for acquisition of Property, Plant and Equipment & Capital WIP	(1,174.30)	(973.65)
Payment for investment in PMS-IIFL	(244.77)	-
Payment for investment in Equity shares of Kamdhenu Jeevandhara Foundation	-	(1.00)
Proceeds from sale of Property, Plant and Equipment	2.35	2.58
Interest Received	13.67	15.94
<b>Net Cash Flow from Investing Activities (B)</b>	<b>(1,403.05)</b>	<b>(956.13)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest Paid	(898.10)	(1,280.15)
Payment of Lease Liabilities	(239.48)	(240.32)
Net Change in Borrowings	(650.35)	(2,478.57)
Money Received against ESOP issued	-	39.23
Dividend paid (including dividend paid out of unclaimed dividend of earlier year)	(213.60)	(134.80)
<b>Net Cash Flow from Financing Activities (C)</b>	<b>(2,001.53)</b>	<b>(4,094.62)</b>
<b>Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>961.28</b>	<b>(29.06)</b>
<b>Opening Balance Cash and Cash Equivalents</b>	<b>235.97</b>	<b>265.03</b>
<b>Closing Balance Cash and Cash Equivalents</b>	<b>1,197.25</b>	<b>235.97</b>



## STANDALONE STATEMENT OF CASH FLOW (Contd.)

### FOR THE YEAR ENDED 31ST MARCH, 2022

#### Components of Cash and Cash Equivalents

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Balances with Banks	180.31	210.39
Cash on hand	16.94	19.77
Deposits with maturity for less than 3 month	1,000.00	5.81
<b>Total</b>	<b>1,197.25</b>	<b>235.97</b>

#### Reconciliation Statement of Cash & Bank Balances

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Cash and Cash Equivalent as per above	1,197.25	235.97
Add: Balance with Bank in dividend/ unclaimed dividend account	17.75	15.87
Deposits with maturity for more than 3 month but less than 12 month	184.51	156.32
Fixed Deposits with bank having maturity period more than 12 months	1.49	1.32
<b>Total</b>	<b>1,401.00</b>	<b>409.48</b>

#### DISCLOSURE AS REQUIRED BY IND AS 7

#### Reconciliation of liabilities arising from financing activities

(₹ in Lakhs)

31 <sup>st</sup> March, 2022	Opening Balance	Cash Flows	Non Cash Changes	Closing Balance
Short term secured borrowings	9,128.91	(1,681.73)	12.66	7,459.84
Long term secured borrowings	236.00	1,031.38	-	1,267.38
<b>Total</b>	<b>9,364.91</b>	<b>(650.35)</b>	<b>12.66</b>	<b>8,727.22</b>

(₹ in Lakhs)

31 <sup>st</sup> March, 2021	Opening Balance	Cash Flows	Non Cash Changes	Closing Balance
Short term secured borrowings	11,799.97	(2,671.06)	-	9,128.91
Long term secured borrowings	43.51	192.49	-	236.00
<b>Total</b>	<b>11,843.48</b>	<b>(2,478.57)</b>	<b>-</b>	<b>9,364.91</b>

#### Significant Accounting Policies

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached

#### For B S D & CO.

Chartered Accountants

Firm Registration No. 000312S

#### (Surendra Khinvasra)

Partner

Membership No.070804

Date : 30<sup>th</sup> May, 2022

Place: Gurgaon

For and on behalf of Board of Directors of  
**Kamdhenu Limited**

#### (Satish Kumar Agarwal)

Chairman & Managing Director

DIN: 00005981

#### (Harish Kumar Agarwal)

Chief Financial Officer

#### (Sunil Kumar Agarwal)

Whole Time Director

DIN: 00005973

#### (Khem Chand)

Company Secretary



## STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH, 2022

### A. EQUITY SHARE CAPITAL

(₹ in Lakhs)

Balance as at 1 <sup>st</sup> April, 2021	Change in equity share capital due to prior period errors	Restated balance as at 1 <sup>st</sup> April, 2021	Change in equity share capital during the FY 2021-22	Balance as at 31 <sup>st</sup> March, 2022
2,693.55	-	2,693.55	-	2,693.55

(₹ in Lakhs)

Balance as at 1 <sup>st</sup> April, 2020	Change in equity share capital due to prior period errors	Restated balance as at 1 <sup>st</sup> April, 2020	Change in equity share capital during the FY 2020-21	Balance as at 31 <sup>st</sup> March, 2021
2,654.33	-	2,654.33	39.23	2,693.55

### B. OTHER EQUITY

(₹ in Lakhs)

Particulars	Reserve and Surplus				Other Comprehensive Income		Total
	Capital Reserve	Securities Premium	Share Based Payment Reserve	Retained Earnings	Fair Value of Investments	Actuarial (Losses)/ Gain on defined benefit plans	
Balance as at 1 <sup>st</sup> April, 2020	181.29	5,144.05	132.50	9,963.42	10.36	(16.17)	15,415.46
Addition during the year	-	132.50	-	-	-	-	132.50
Profit / (Loss) for the year	-	-	-	1,509.11	(19.58)	13.83	1,503.36
Employee stock option outstanding	-	-	(132.50)	-	-	-	(132.50)
Dividend	-	-	-	134.68	-	-	134.68
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>181.29</b>	<b>5,276.56</b>	<b>-</b>	<b>11,337.85</b>	<b>(9.22)</b>	<b>(2.34)</b>	<b>16,784.14</b>
Balance as at 1 <sup>st</sup> April, 2021	181.29	5,276.56	-	11,337.85	(9.22)	(2.34)	16,784.14
Addition during the year	-	-	-	-	-	-	-
Profit / (Loss) for the year	-	-	-	2,631.89	(29.75)	(50.82)	2,551.32
Dividend	-	-	-	215.48	-	-	215.48
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>181.29</b>	<b>5,276.56</b>	<b>-</b>	<b>13,754.26</b>	<b>(38.97)</b>	<b>(53.16)</b>	<b>19,119.98</b>

As per our report of even date attached

**For B S D & CO.**

Chartered Accountants

Firm Registration No. 000312S

**(Surendra Khinvasra)**

Partner

Membership No.070804

Date : 30<sup>th</sup> May, 2022

Place: Gurgaon

For and on behalf of Board of Directors of

**Kamdhenu Limited**

**(Satish Kumar Agarwal)**

Chairman & Managing Director

DIN: 00005981

**(Harish Kumar Agarwal)**

Chief Financial Officer

**(Sunil Kumar Agarwal)**

Whole Time Director

DIN: 00005973

**(Khem Chand)**

Company Secretary



## NOTES

### FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

#### CORPORATE INFORMATION

Kamdhenu Limited ("The Company") is public limited company incorporated and domiciled in India under Companies Act, 1956 ("Act "). The Company's registered office is situated at 2<sup>nd</sup> 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 manufacturing, marketing, branding and distribution of TMT Bars, structural steel, paints and allied products under brand name KAMDHENU. The Company is also integrated with independent producer efficacious Franchisee Business Association Model and streamlined the unorganized steel sector into organized sector. The standalone financial statement for the year ended 31<sup>st</sup> March, 2022 was approved and authorized by Board of Directors in their meeting held on 30<sup>th</sup> May, 2022.

#### 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.

##### 1.2 Basis of Preparation

The 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 (INR). All amounts disclosed in the 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:

- expected to be realized or intended to be sold or consumed in normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realized within twelve months after the reporting period; or

- 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:

- expected to be settled in normal operating cycle;
- held primarily for the purpose of trading;
- due to be settled within twelve months after the reporting period; or
- 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 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:

- 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

## NOTES (Contd.)

### FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

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) Estimation of uncertainty related to Global Health Pandemic from COVID-19: The Company has considered the possible effects that may results from pandemic relating to COVID-19 on the carrying amount of financial assets including Trade receivable. In developing the assumptions relating to the possible future uncertainties in global economic conditions because of the pandemic, the Company as at the date of approval of these financial statement has used internal and external source of information, on the expected future performance of the Company and based on estimates the Company expects that the carrying amount of financial assets will be recovered and the Company do not expect any significant impact of COVID-19 on the Company's financial statements as at the date of approval of these Standalone Financial Statements.
- c) 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.

- d) 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.
- e) 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.
- f) 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.
- g) 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.
- h) 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



## NOTES (Contd.)

### FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

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.

On transition to Ind AS, the fair value as on 1<sup>st</sup> April, 2016 in respect of class of asset comprising land & building and plant & machinery has been taken as carrying cost and subsequently the Company follows cost model. 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 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 rolling mill and tinting machine, where useful life based on management estimate has been taken twenty years and ten years respectively. 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

## **NOTES** (Contd.)

### **FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022**

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.

##### **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 Inventories**

Inventories are valued as under:

Raw materials, packing materials, stores and spares are valued at lower of cost (on a weighted average basis) and net realizable value.

Stock in process is valued at lower of cost (on a weighted average basis) and net realizable value.

Finished goods (including in transit) are valued at cost (on a weighted average basis) or net realizable value whichever is lower. Cost for this purpose includes direct materials, direct labour, utilities, other variable direct cost and manufacturing overheads, based on the normal operating capacity and depreciation.

#### **1.9 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.

#### **1.10 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



## NOTES (Contd.)

### FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

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.

#### 1.11 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.

###### (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

## NOTES (Contd.)

### FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

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 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.

#### 1.12 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 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.

#### 1.13 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



## NOTES (Contd.)

### FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

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.

#### 1.14 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 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.

#### 1.15 Share Based Payment

- a) Equity-Settled Share Based Payments to Employee (primarily Employee Stock Option Scheme) and others providing similar services are measured at the Fair Value of the Equity Instrument at the grant date.
- b) The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of revision of the original estimates, if any, is recognized in Statement of

Profit And Loss such that the cumulative expense reflect the revised estimate, with a corresponding adjustment to Share Based Payment reserve.

- c) The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

#### 1.16 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.

#### 1.17 Revenue Recognition

##### Revenue from Sale of Goods and services

The Company derives its revenue from sale of manufactured goods & traded goods primarily from steel segment and paint segment and also from Royalty services in respect of franchisee arrangement. 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



## **NOTES** (Contd.)

### **FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022**

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.

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.

### **1.18 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.

#### **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 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.

### **1.19 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



## NOTES (Contd.)

### FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

#### 1.20 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 and Paint.

#### 1.21 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 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.

#### 1.22 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, 2022

### NOTE NO. 1

#### (I) PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total
Gross Carrying Value as on 1 <sup>st</sup> April, 2020	1,908.40	1,313.48	6,121.34	163.48	664.26	196.62	10,367.58
Additions during the year	-	384.70	851.35	9.22	52.87	29.40	1,327.54
Deductions/Adjustments	-	-	-	-	22.86	0.63	23.49
Gross Carrying Value as on 31 <sup>st</sup> March, 2021	1,908.40	1,698.18	6,972.69	172.70	694.27	225.39	11,671.63
Accumulated Depreciation as on 1 <sup>st</sup> April, 2020	-	144.76	1,747.52	113.17	317.25	104.86	2,427.56
Depreciation for the year	-	52.34	517.02	5.73	76.32	39.00	690.41
Deductions/Adjustments	-	-	-	-	21.72	0.57	22.29
Accumulated Depreciation as on 31 <sup>st</sup> March, 2021	-	197.10	2,264.54	118.91	371.85	143.29	3,095.69
<b>Carrying Value as on 31<sup>st</sup> March, 2021</b>	<b>1,908.40</b>	<b>1,501.09</b>	<b>4,708.15</b>	<b>53.79</b>	<b>322.42</b>	<b>82.10</b>	<b>8,575.94</b>
Gross Carrying Value as on 1 <sup>st</sup> April, 2021	1,908.40	1,698.19	6,972.69	172.70	694.27	225.39	11,671.64
Additions during the year	-	145.51	626.91	11.14	197.79	36.43	1,017.78
Deductions/Adjustments	-	-	-	-	12.51	17.25	29.76
Gross Carrying Value as on 31 <sup>st</sup> March, 2022	1,908.40	1,843.69	7,599.60	183.84	879.55	244.57	12,659.65
Accumulated Depreciation as on 1 <sup>st</sup> April, 2021	-	197.10	2,264.54	118.91	371.85	143.29	3,095.69
Depreciation for the year	-	66.16	549.98	6.42	89.32	30.90	742.78
Deductions/Adjustments	-	-	-	-	11.89	16.39	28.28
Accumulated Depreciation as on 31 <sup>st</sup> March, 2022	-	263.26	2,814.53	125.33	449.28	157.81	3,810.21
<b>Carrying Value as on 31<sup>st</sup> March, 2022</b>	<b>1,908.40</b>	<b>1,580.43</b>	<b>4,785.07</b>	<b>58.51</b>	<b>430.27</b>	<b>86.76</b>	<b>8,849.44</b>

#### (II) RIGHT OF USE ASSETS

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Building</b>		
Opening Balance	500.33	676.21
Addition during the year	145.40	-
Depreciation for the year	(183.30)	(175.88)
Closing Balance of Right of use asset	462.43	500.33

**NOTES** (Contd.)

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2022

**(III) CAPITAL-WORK-IN PROGRESS (CWIP)**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Gross Carrying Value at beginning of the year	75.52	112.32
Additions during the year	532.35	874.55
Transfer to property plant & equipment	(508.39)	(911.35)
Gross Carrying Value at the end of the year	99.48	75.52

**Ageing for Capital work-in-progress as at 31<sup>st</sup> March, 2022 is as follows**

(₹ in Lakhs)

Capital work in progress	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Years
Projects in progress	72.52	26.96	-	-

**Ageing for Capital work-in-progress as at 31<sup>st</sup> March, 2021 is as follows**

(₹ in Lakhs)

Capital work in progress	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Years
Projects in progress	75.52	-	-	-

**NOTE NO. 2****INVESTMENTS - NON CURRENT**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Investment in Subsidiary Companies (Valued at Cost unless stated otherwise)</b>		
<b>Unquoted Equity instrument-Fully Paid</b>		
30,400 (31 <sup>st</sup> March, 2021: 30,400) equity share of M/s Kamdhenu Ventures Limited	3.04	3.04
10,000 (31 <sup>st</sup> March, 2021: 10,000) equity shares of M/s Kamdhenu Jeevandhara Foundation	1.00	1.00
	<b>4.04</b>	<b>4.04</b>
<b>Other Investment (Measured at Fair Value through Other Comprehensive Income)</b>		
15,42,605 (31 <sup>st</sup> March, 2021: 15,42,605) equity shares of M/s Shree Bankey Bihari Ispat Private Limited	-	-
2,68,220 (31 <sup>st</sup> March, 2021: 2,68,220) equity shares of M/s Stelex Coating Limited	23.90	24.11
24,50,000 (31 <sup>st</sup> March, 2021: 24,50,000) equity shares of M/s Orange Spa Hotels & Resorts Private Limited	174.19	211.09
	<b>198.09</b>	<b>235.20</b>
<b>Total</b>	<b>202.13</b>	<b>239.24</b>

## NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2022

### NOTE: 2.1

Aggregate book value of unquoted Investments	346.22	346.22
Aggregate carrying amount of unquoted investments valued at cost	4.04	4.04
Aggregate fair value of unquoted investments measured at fair value through Other Comprehensive Income.	198.09	235.20
Aggregate amount of impairment in value of investments.	144.08	106.97

### NOTE: 2.2

The Fair value of investment is based on the valuation by registered valuer as defined under Rule 2 of Companies (Registered valuer and valuation) Rules 2017.

### NOTE NO. 3

#### LOANS - NON CURRENT

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Unsecured, considered good, unless stated otherwise:</b>		
Loans and Advances to employees	18.08	8.60
<b>Total</b>	<b>18.08</b>	<b>8.60</b>

### NOTE NO. 4

#### OTHER FINANCIAL ASSETS - NON CURRENT

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Security deposits	311.28	295.07
Fixed Deposits with bank having maturity period more than 12 months	1.24	1.16
-Held as margin money or security against borrowings and other commitments		
Interest accrued on Fixed Deposits	0.25	0.16
<b>Total</b>	<b>312.77</b>	<b>296.39</b>

### NOTE NO. 5

#### OTHER NON CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Capital advance	59.49	5.50
Prepaid expenses	22.86	24.31
Tax Refundable	959.92	977.15
Direct and Indirect taxes deposited For pending appeal / under protest	201.00	8.00
Duties and taxes refundable	27.20	98.27
<b>Total</b>	<b>1,270.47</b>	<b>1,113.23</b>

**NOTES** (Contd.)**FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2022****NOTE NO. 6****INVENTORIES**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Raw Materials & Packing Materials	1,583.70	1,375.79
Stock-in-Process	31.34	20.24
Finished Goods	5,356.40	4,319.58
Stock-in-Trade	299.75	628.29
Stores, Spares & Fuel	401.14	348.75
Waste, Scraps, Runner Risers & Mill Scale	70.94	36.02
<b>Total</b>	<b>7,743.27</b>	<b>6,728.67</b>

**NOTE NO. 6.1**

a) The Company do not have any inventory which is expected to be sold in more than 12 months.

**NOTE NO. 7****INVESTMENT - CURRENT (Measured at Fair Value through Statement of Profit & Loss)**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Investment in Portfolio Management Services through IIFL Asset Management Limited	967.90	617.23
<b>Total</b>	<b>967.90</b>	<b>617.23</b>

The above investment have been made with IIFL Asset Management Limited held for sale and is intended to be held for short term, accordingly classified as current Investment

**NOTE: 7.1**

Aggregate Cost of portfolio forming part of Portfolio Management Services	718.36	473.61
Aggregate Market value of portfolio forming part of Portfolio Management Services	967.90	617.23

**NOTE NO. 8****TRADE RECEIVABLES - CURRENT**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Trade Receivable - Unsecured		
Considered good	19,001.72	19,022.10
Considered doubtful	1,258.35	869.39
	<b>20,260.07</b>	<b>19,891.49</b>
Less: Allowance for doubtful debts	1,258.35	869.39
	<b>19,001.72</b>	<b>19,022.10</b>
Trade Receivable -Unsecured Unbilled	817.23	953.68
<b>Total</b>	<b>19,818.95</b>	<b>19,975.78</b>

## NOTES (Contd.)

### FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2022

**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 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	As at
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
Trade Receivables	20,260.07	19,891.49
Trade Receivables not considered for ECL Matrix	16,128.35	14,540.54
Trade Receivables considered for ECL Matrix	4,131.72	5,350.94
Movement in allowance for doubtful debts		
Balance at the beginning of the year	869.39	616.07
Addition during the year	388.97	253.32
Balance at the end of the year	1,258.35	869.39

- 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 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 and is of the view that allowance for Expected credit loss created is sufficient and no further provisioning on this account is necessitated.

**e) Ageing of Trade Receivable as at 31<sup>st</sup> March, 2022**

(₹ in Lakhs)

Particulars	Outstanding for following periods as at 31 <sup>st</sup> March, 2022 from the date of transaction					Total
	Less than 6 Months	6 Months- 1 Year	1-2 Years	2-3 Years	More than 3 Years	
<b>(i) Trade Receivable-Billed</b>						
Undisputed Trade Receivable- Considered Good	15,086.57	1,041.78	1,116.60	586.87	899.39	18,731.21
Undisputed Trade Receivable- which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivable- credit impaired	-	-	102.36	137.51	564.58	804.45
Disputed Trade Receivable- Considered Good	2.67	11.76	11.51	29.70	214.86	270.50
Disputed Trade Receivable- which have significant increase in credit risk	-	-	-	-	-	-

**NOTES** (Contd.)

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2022

(₹ in Lakhs)

Particulars	Outstanding for following periods as at 31 <sup>st</sup> March, 2022 from the date of transaction					Total
	Less than 6 Months	6 Months- 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Disputed Trade Receivable- credit impaired	4.01	25.58	20.19	51.28	352.85	453.91
<b>Total</b>	<b>15,093.25</b>	<b>1,079.12</b>	<b>1,250.66</b>	<b>805.36</b>	<b>2,031.68</b>	<b>20,260.07</b>
Less: Allowance for doubtful debts- Billed						1,258.35
						<b>19,001.72</b>
(ii) Trade Receivable- Unbilled						817.23
<b>Total Trade Receivable (i)+(ii)</b>						<b>19,818.95</b>

**Ageing of Trade Receivable as at 31<sup>st</sup> March, 2021**

(₹ in Lakhs)

Particulars	Outstanding for following periods as at 31 <sup>st</sup> March, 2021 from the date of transaction					Total
	Less than 6 Months	6 Months- 1 Year	1-2 Years	2-3 Years	More than 3 Years	
<b>(i) Trade Receivable-Billed</b>						
Undisputed Trade Receivable- Considered Good	13,230.12	1,081.11	2,383.76	1,481.51	309.26	18,485.76
Undisputed Trade Receivable- which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivable- credit impaired	-	-	185.53	261.44	252.04	699.01
Disputed Trade Receivable- Considered Good	9.02	0.89	74.85	130.90	320.68	536.34
Disputed Trade Receivable- which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivable- credit impaired	-	-	19.50	23.10	127.78	170.38
<b>Total</b>	<b>13,239.14</b>	<b>1,082.00</b>	<b>2,663.64</b>	<b>1,896.95</b>	<b>1,009.76</b>	<b>19,891.49</b>
Less: Allowance for doubtful debts- Billed						869.39
						<b>19,022.10</b>
(ii) Trade Receivable-Unbilled						953.68
<b>Total Trade Receivable (i)+(ii)</b>						<b>19,975.78</b>



## NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2022

### NOTE NO. 9

#### CASH AND CASH EQUIVALENTS - CURRENT

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Balances with Banks	180.31	210.39
Cash on hand	16.94	19.77
Deposits with maturity for less than 3 month	1,000.00	5.81
<b>Total</b>	<b>1,197.25</b>	<b>235.97</b>

### NOTE NO. 10

#### OTHER BALANCES WITH BANKS - CURRENT

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Balance with bank in unpaid dividend accounts	17.75	15.87
Deposits with maturity for more than 3 month but less than 12 month - Held as margin money or security against borrowings and other commitments	184.51	156.32
<b>Total</b>	<b>202.26</b>	<b>172.19</b>

There are no amount due and outstanding to be transferred to Investor Education and Protection Fund as at 31<sup>st</sup> March, 2022.

### NOTE NO. 11

#### LOANS - CURRENT

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Unsecured, considered good, unless stated otherwise:</b>		
Loans and Advances to employees	37.48	42.67
<b>Total</b>	<b>37.48</b>	<b>42.67</b>

### NOTE NO. 12

#### OTHER FINANCIAL ASSETS - CURRENT

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Interest accrued on Fixed Deposit	2.31	1.62
<b>Unsecured, considered good, unless stated otherwise:</b>		
<b>Advances recoverable</b>		
Considered good	22.32	21.91
Considered doubtful	21.91	21.91
	<b>44.23</b>	<b>43.82</b>
Less: Allowance for doubtful advance	21.91	21.91
	<b>22.32</b>	<b>21.91</b>
Insurance Claims and other receivables	425.61	2,562.15
<b>Total</b>	<b>450.24</b>	<b>2,585.68</b>

**NOTES** (Contd.)**FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2022****The Reconciliation and movement in allowance for doubtful advances are as under:-**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Balance at the beginning of the year	21.91	-
Addition during the year	-	21.91
Balance at the end of the year	21.91	21.91

**NOTE NO. 13****OTHER CURRENT ASSETS**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Unsecured, considered good, unless stated otherwise:</b>		
Advances recoverable in Cash or in Kind for value to be received		
Considered good	2,481.57	1,585.40
Considered doubtful	10.00	10.00
	<b>2,491.57</b>	<b>1,595.40</b>
Less: Allowance for doubtful Advances	10.00	10.00
	<b>2,481.57</b>	<b>1,585.40</b>
Balances with statutory authorities	52.26	273.13
Duties and taxes refundable	-	1.13
Prepaid expenses	71.20	85.99
<b>Total</b>	<b>2,605.03</b>	<b>1,945.65</b>

**The Reconciliation and movement in allowance for doubtful advances are as under:-**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Balance at the beginning of the year	10.00	10.00
Addition during the year	-	-
Balance at the end of the year	10.00	10.00

**NOTE NO. 14****EQUITY SHARE CAPITAL**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Authorized Share Capital:</b>		
3,00,00,000 (Previous year 3,00,00,000) Equity Shares of ₹ 10 each	3,000.00	3,000.00
1,15,00,000 (Previous year Nil) Preference Shares of ₹ 10 each	1,150.00	-
<b>Issued, Subscribed and Paid up:</b>		
2,69,35,500 (Previous year 2,69,35,500) Equity Shares of ₹ 10 each	2,693.55	2,693.55
<b>Total</b>	<b>2,693.55</b>	<b>2,693.55</b>

## NOTES (Contd.)

### FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2022

#### (a) Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	As at	
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
At the beginning of the year	2,69,35,500	2,65,43,250
Add: Issued during the year	-	3,92,250
Less: Bought back during the year	-	-
<b>At the end of the year</b>	<b>2,69,35,500</b>	<b>2,69,35,500</b>

#### (b) Details of Shareholders holding more than 5 % Shares in the Company

Name of the Shareholder	As at		As at	
	31 <sup>st</sup> March, 2022		31 <sup>st</sup> March, 2021	
	No. of Shares	% held	No. of Shares	% held
Sunil Kumar Agarwal	15,45,292	5.74%	15,45,292	5.74%
Sarita Agarwal	16,16,950	6.00%	16,16,950	6.00%
Kamdhenu Overseas Limited	30,50,000	11.32%	30,50,000	11.32%
Kamdhenu Paint Industries Limited	15,21,801	5.65%	15,21,801	5.65%
Kamdhenu Concast Limited	14,28,510	5.30%	14,28,510	5.30%

#### (c) Term/ rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10/- Per Share. 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.

The Company has not allotted any fully paid up shares pursuant to contract(s) without payment being received in cash. The Company has neither allotted any fully paid up shares by way of bonus shares nor has bought back any class of shares during the period of five years immediately preceding the balance sheet date.

#### (d) Dividend

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 except in case of interim dividend. The remittance of dividends outside India is governed by Indian law on foreign exchange.

The amount of per share dividend recognized as distributions to equity shareholders during FY 2021-22 pertaining to FY 2020-21 amounted to ₹ 215.48 Lakhs have been shown as deduction from retained earning.

The Board of directors of the Company in their meeting held on 30<sup>th</sup> May, 2022 have proposed dividend of ₹ 1/- per share for the financial year ended 31<sup>st</sup> March, 2022 for the approval of shareholders.

#### (e) Disclosure of Shareholding of Promoters

Promoters Name	As at		As at		% Change during the year
	31 <sup>st</sup> March, 2022		31 <sup>st</sup> March, 2021		
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Kamdhenu Overseas Limited	30,50,000	11.32%	30,50,000	11.32%	-
Sarita Agarwal	16,16,950	6.00%	16,16,950	6.00%	-

**NOTES** (Contd.)**FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2022**

Promoters Name	As at 31 <sup>st</sup> March, 2022		As at 31 <sup>st</sup> March, 2021		% Change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Sunil Kumar Agarwal	15,45,292	5.74%	15,45,292	5.74%	-
Kamdhenу Paint Industries Limited	15,21,801	5.65%	15,21,801	5.65%	-
Kamdhenу Concast Limited	14,28,510	5.30%	14,28,510	5.30%	-
Satish Kumar Agarwal	12,81,842	4.76%	12,81,842	4.76%	-
Sachin Agarwal	9,23,719	3.43%	9,23,719	3.43%	-
Saurabh Agarwal	8,26,500	3.07%	8,26,500	3.07%	-
Shafali Agrawal	7,63,842	2.84%	7,63,842	2.84%	-
Kamdhenу Infradevelopers Limited	6,14,900	2.28%	6,14,900	2.28%	-
Kamdhenу Nutrients Pvt. Ltd.	6,00,000	2.23%	6,00,000	2.23%	-
Kay2 Steel Limited	5,88,934	2.19%	5,88,934	2.19%	-
Radha Agarwal	5,41,877	2.01%	5,41,877	2.01%	-
Satish Kumar Agarwal (HUF)	3,65,900	1.36%	3,65,900	1.36%	-
Shatul Agarwal	3,37,700	1.25%	3,37,700	1.25%	-
Sunil Kumar (HUF)	3,00,280	1.11%	3,00,280	1.11%	-
Priyanka Agarwal	2,56,629	0.95%	2,56,629	0.95%	-
Shivani Agarwal	2,55,235	0.95%	2,55,235	0.95%	-
Ishita Agarwal	2,10,716	0.78%	2,10,716	0.78%	-
Somya Agarwal	1,44,660	0.54%	1,44,660	0.54%	-
Ayush Agarwal	90,600	0.34%	90,600	0.34%	-
Ayush Agarwal (HUF)	50,000	0.19%	50,000	0.19%	-
<b>Total</b>	<b>1,73,15,887</b>	<b>64.29%</b>	<b>1,73,15,887</b>	<b>64.29%</b>	<b>-</b>

Promoters Name	As at 31 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> March, 2020		% Change during the year *
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Kamdhenу Overseas Limited	30,50,000	11.32%	30,50,000	11.49%	-0.17%
Sarita Agarwal	16,16,950	6.00%	16,16,950	6.09%	-0.09%
Sunil Kumar Agarwal	15,45,292	5.74%	15,45,292	5.82%	-0.08%
Kamdhenу Paint Industries Limited	15,21,801	5.65%	15,21,801	5.73%	-0.08%
Kamdhenу Concast Limited	14,28,510	5.30%	14,28,510	5.38%	-0.08%
Satish Kumar Agarwal	12,81,842	4.76%	12,81,842	4.83%	-0.07%
Sachin Agarwal	9,23,719	3.43%	9,23,719	3.48%	-0.05%
Saurabh Agarwal	8,26,500	3.07%	8,26,500	3.11%	-0.05%
Shafali Agrawal	7,63,842	2.84%	7,63,842	2.88%	-0.04%
Kamdhenу Infradevelopers Limited	6,14,900	2.28%	6,14,900	2.32%	-0.03%
Kamdhenу Nutrients Pvt. Ltd.	6,00,000	2.23%	6,00,000	2.26%	-0.03%
Kay2 Steel Limited	5,88,934	2.19%	5,88,934	2.22%	-0.03%

## NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2022

Promoters Name	As at 31 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> March, 2020		% Change during the year *
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Radha Agarwal	5,41,877	2.01%	5,41,877	2.04%	-0.03%
Satish Kumar Agarwal (HUF)	3,65,900	1.36%	3,65,900	1.38%	-0.02%
Shatul Agarwal	3,37,700	1.25%	3,37,700	1.27%	-0.02%
Sunil Kumar (HUF)	3,00,280	1.11%	3,00,280	1.13%	-0.02%
Priyanka Agarwal	2,56,629	0.95%	2,56,629	0.97%	-0.01%
Shivani Agarwal	2,55,235	0.95%	2,55,235	0.96%	-0.01%
Ishita Agarwal	2,10,716	0.78%	2,10,716	0.79%	-0.01%
Somya Agarwal	1,44,660	0.54%	1,44,660	0.54%	-0.01%
Ayush Agarwal	90,600	0.34%	90,600	0.34%	0.00%
Ayush Agarwal (HUF)	50,000	0.19%	50,000	0.19%	0.00%
<b>Total</b>	<b>1,73,15,887</b>	<b>64.29%</b>	<b>1,73,15,887</b>	<b>65.24%</b>	<b>-0.95%</b>

\* % Change during the year ended 31<sup>st</sup> March, 2021 was due to 3,92,250 no. of equity share issued under Kamdhenu ESOS 2017.

### NOTE NO. 15

#### OTHER EQUITY

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>a. Capital Reserves</b>		
As per last Balance Sheet	181.29	181.29
Add: Addition during the year	-	-
Less: Deduction during the year	-	-
	<b>181.29</b>	<b>181.29</b>
<b>b. Securities Premium</b>		
As per last Balance Sheet	5,276.56	5,144.05
Add: Addition during the year/ Transfer from Share based payment Reserve	-	132.50
Less: Deduction during the year	-	-
	<b>5,276.56</b>	<b>5,276.56</b>
<b>c. Share Based Payment Reserve</b>		
As per last Balance Sheet	-	132.50
Add: Addition during the year	-	-
Less: Deduction during the year	-	132.50
	<b>-</b>	<b>-</b>
<b>d. Other Comprehensive Income</b>		
As per last Balance Sheet	(11.56)	(5.81)
Add: Addition during the year	-	-
Fair Value of Investments	(29.75)	(19.58)
Remeasurement (Losses)/ Gain on defined benefit Plan	(50.82)	13.83
Less: Deduction during the year	-	-
	<b>(92.13)</b>	<b>(11.56)</b>

**NOTES** (Contd.)

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2022

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>e. Retained Earnings</b>		
As per last Balance Sheet	11,337.85	9,963.42
Add: Profit for the year	2,631.89	1,509.11
Less: Appropriations:		
Dividend on Equity Shares	215.48	134.68
	<b>13,754.26</b>	<b>11,337.85</b>
<b>Total</b>	<b>19,119.98</b>	<b>16,784.14</b>

**NOTE NO. 16****BORROWINGS - NON CURRENT**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Secured, Term Loans from Banks:		
State Bank of India	1,569.57	466.67
Indian Bank of India	186.69	348.98
Vehicles Loans from Banks	115.32	85.05
	<b>1,871.58</b>	<b>900.70</b>
Less: Current maturities of long term debts (Refer note no. 22)	604.20	664.70
<b>Total</b>	<b>1,267.38</b>	<b>236.00</b>

**a) Terms of Repayment of Terms Loans are as under:-**

(₹ in Lakhs)

Particulars	Rate of interest p.a	Amount outstanding as at 31 <sup>st</sup> March, 2022	Repayment Schedule		
			FY 2022-23	FY 2023-24	FY 2024-27
State Bank of India	7.95%	1,569.57	408.73	398.00	762.83
Indian Bank	7.35%	186.69	161.15	25.54	-
Vehicle Loans	7.90%-9.50%	115.32	34.31	30.91	50.10
<b>Total</b>		<b>1,871.58</b>	<b>604.20</b>	<b>454.45</b>	<b>812.93</b>

**(i) CCECL (Term Loan) from State Bank of India and Indian Bank are secured by way of Primary :**

- a) Extension of First pari passu charge by way of hypothecation charge on entire current assets (present and future) of the Company.

**Collateral**

- a. Extension of First pari passu 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 First pari passu charge by way of equitable mortgage over factory land & building of the Company situated at A-1112 & A-1114, RIICO Industrial Area, Phase III, Bhiwadi Rajasthan and at E-538 & E-539A, RIICO Industrial Area, Chopanki, Rajasthan.

**Guarantee :**

- a. Personal Guarantee of whole time directors.

**(ii) Vehicle loans from Banks are secured by hypothecation of respective vehicle.**

## NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2022

### NOTE NO. 17

#### LEASED LIABILITIES - NON CURRENT

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Non-Current lease liabilities	467.43	505.86
<b>Total</b>	<b>467.43</b>	<b>505.86</b>

### NOTE NO. 18

#### OTHER FINANCIAL LIABILITIES - NON CURRENT

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Security Deposits	939.35	722.17
Deferred Interest Accrued on Security Deposit	17.07	21.34
<b>Total</b>	<b>956.42</b>	<b>743.51</b>

### NOTE NO. 19

#### PROVISIONS - NON CURRENT

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Provisions for Employee Benefits:		
Provisions for Gratuity	466.67	347.91
Provisions for Leave Encashment	97.21	68.25
<b>Total</b>	<b>563.88</b>	<b>416.16</b>

### NOTE NO. 20

#### DEFERRED TAX LIABILITIES (NET)

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Deferred tax liability:</b>		
on Property, Plant and Equipment	944.21	973.12
on Unrealized Gain of Investment in PMS	43.60	49.39
<b>Deferred tax assets:</b>		
on Right of use Assets	44.07	39.73
on Fair value of Investments	96.95	89.59
on Unrealized Loss of Investment in PMS	-	-
on Employee Benefits	164.45	121.45
on Provision for Expected Credit Loss	324.73	226.84
on Other Items (Net)	4.16	2.80
<b>Net Deferred Tax Liability</b>	<b>353.45</b>	<b>542.10</b>

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, 2022****(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:

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022					
	Net Balance (1 <sup>st</sup> April, 2021)	Recognized in profit or (Loss)	Recognized in OCI	Net Deferred Tax	Deferred Tax Liability	Deferred Tax Assets
Property, plant and equipment	973.12	(28.91)	-	944.21	944.21	-
Unrealized Gain of Investment in PMS	49.39	(5.79)	-	43.60	43.60	-
Right of use Assets	(39.73)	(4.34)	-	(44.07)	-	(44.07)
Employee Benefits - P&L	(116.02)	(25.91)	-	(141.93)	-	(141.93)
Employee Benefits - OCI	(5.43)	-	(17.09)	(22.52)	-	(22.52)
Investments	(89.59)	-	(7.36)	(96.95)	-	(96.95)
Provision for Expected Credit Loss	(226.84)	(97.89)	-	(324.73)	-	(324.73)
Other Items (Net)	(2.80)	(1.36)	-	(4.16)	-	(4.16)
<b>Deferred Tax (Assets) / Liabilities</b>	<b>542.10</b>	<b>(164.21)</b>	<b>(24.45)</b>	<b>353.45</b>	<b>987.81</b>	<b>(634.36)</b>

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021					
	Net Balance (1 <sup>st</sup> April, 2020)	Recognized in profit or (Loss)	Recognized in OCI	Net Deferred Tax	Deferred Tax Liability	Deferred Tax Assets
Property, plant and equipment	975.53	(2.41)	-	973.12	973.12	-
Unrealized Gain of Investment in PMS	(25.63)	75.02	-	49.39	49.39	-
Right of use Assets	(37.08)	(2.65)	-	(39.73)	-	(39.73)
Employee Benefits - P&L	(104.93)	(11.09)	-	(116.02)	-	(116.02)
Employee Benefits - OCI	(10.08)	-	4.65	(5.43)	-	(5.43)
Investments - P&L	(76.77)	-	(12.82)	(89.59)	-	(89.59)
Provision for Expected Credit Loss	(157.57)	(69.27)	-	(226.84)	-	(226.84)
Other Items (Net)	(2.63)	(0.17)	-	(2.80)	-	(2.80)
<b>Deferred Tax (Assets) / Liabilities</b>	<b>560.84</b>	<b>(10.57)</b>	<b>(8.17)</b>	<b>542.10</b>	<b>1,022.51</b>	<b>(480.41)</b>

**NOTE NO. 21****A) TAX EXPENSES**

The total tax expenses charged in Statement of Profit and Loss as under

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Current Tax	1,033.42	595.47
Deferred Tax	(164.21)	(10.57)
Income Tax of earlier years	3.57	1.96
<b>Total</b>	<b>872.78</b>	<b>586.86</b>



## NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2022

### B) RECONCILIATION OF EFFECTIVE TAX RATE WITH TAX EXPENSE IN STATEMENT OF PROFIT AND LOSS

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Profit/(loss) before Tax	3,504.67	2,095.97
Applicable tax rate	25.17%	25.17%
Tax at the Indian tax rate of 25.168%	882.07	527.50
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:	424.78	351.56
Tax effect of amounts which are deductible (non-taxable) in calculating taxable income:	(274.97)	(283.59)
Tax effect of amounts which are chargeable at special rate:	1.54	-
<b>Current tax (Normal Rate) (A)</b>	<b>1,033.42</b>	<b>595.47</b>
Incremental Deferred tax Liability on timing Differences (Net)	(164.21)	(10.57)
<b>Deferred Tax (B)</b>	<b>(164.21)</b>	<b>(10.57)</b>
<b>Tax Expenses for earlier year (net) (C)</b>	<b>3.57</b>	<b>1.96</b>
<b>Tax expenses recognized in the statement of profit and loss (A+B+C)</b>	<b>872.78</b>	<b>586.86</b>
<b>Effective Tax rate</b>	<b>24.90%</b>	<b>28.00%</b>

#### NOTE NO. 22

#### BORROWINGS - CURRENT

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Secured - Working Capital Loan from Bank:		
State Bank of India	5,434.71	6,383.26
Indian Bank	1,420.93	2,080.95
Current maturities of long term debts (Refer note no.16)	604.20	664.70
<b>Total</b>	<b>7,459.84</b>	<b>9,128.91</b>

#### 22.1 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) of the Company.

##### Collateral :

- First pari passu 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.
- First pari passu charge by way of equitable mortgage over factory land & building of the Company situated at A-1112 & A- 1114, RIICO Industrial Area, Phase III, Bhiwadi Rajasthan and at E-538 & E-539A, RIICO Industrial Area, Chopanki, Rajasthan.

##### Guarantee :

- Personal Guarantee of whole time directors.

#### 22.2 The quarterly returns or statements of current assets filed by the Company with the banks are in agreement with the books of accounts of the Company.

**NOTES** (Contd.)

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2022

**NOTE NO. 23****LEASED LIABILITIES - CURRENT**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Current lease liabilities	170.12	152.34
<b>Total</b>	<b>170.12</b>	<b>152.34</b>

**NOTE NO. 24****TRADE PAYABLES - CURRENT**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Total outstanding dues of Micro and Small Enterprises	1,385.61	1,775.60
Total outstanding dues of creditors other than Micro and Small Enterprises:		
- for Goods	6,040.32	6,626.06
- for Services	1,623.25	1,491.00
<b>Total</b>	<b>9,049.18</b>	<b>9,892.66</b>

**a) Details of dues to Micro and Small Enterprises as per the Micro, Small and Medium Enterprises Development Act, 2006**

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount	1,355.43	1,745.92
- Interest amount	30.18	29.68
- Total of (i) & (ii)	1,385.61	1,775.60
- 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.	-	-
- 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.	30.18	29.68
- The amount of interest accrued and remaining unpaid at the end of each accounting period	121.50	91.33
- 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.	121.50	91.33

- 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 ₹ 30.18 Lakhs (P.Y. ₹ 29.68 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 STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2022

d) Aging of Trade Payable outstanding as at 31<sup>st</sup> 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	
<b>Trade Payables</b>					
MSME	1,385.61	-	-	-	1,385.61
Others	7,632.53	4.46	4.89	3.60	7,645.48
Disputed dues- MSME	-	-	-	-	-
Disputed dues-Others	-	-	18.09	-	18.09
<b>Total</b>	<b>9,018.14</b>	<b>4.46</b>	<b>22.98</b>	<b>3.60</b>	<b>9,049.18</b>

Aging of Trade Payable outstanding as at 31<sup>st</sup> March, 2021 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	
<b>Trade Payables</b>					
MSME	1,775.60	-	-	-	1,775.60
Others	7,996.21	96.10	6.66	-	8,098.97
Disputed dues- MSME	-	-	-	-	-
Disputed dues-Others	-	18.09	-	-	18.09
<b>Total</b>	<b>9,771.81</b>	<b>114.19</b>	<b>6.66</b>	<b>-</b>	<b>9,892.66</b>

### NOTE NO. 25

#### OTHER FINANCIAL LIABILITIES - CURRENT

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Payable for capital goods	184.53	317.09
Employee related liabilities	376.93	351.20
Deferred Interest on security received	15.41	50.12
Interest accrued	-	3.69
Unpaid Dividend	17.75	15.87
Other Payable	467.83	375.81
Unspent CSR Expenses (Refer note no. 41)	34.30	-
<b>Total</b>	<b>1,096.75</b>	<b>1,113.78</b>

### NOTE NO. 26

#### OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Advance from customers	352.55	248.63
Statutory dues payable	584.49	589.04
<b>Total</b>	<b>937.04</b>	<b>837.67</b>

### NOTE NO. 27

#### PROVISIONS - CURRENT

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Provisions for Employee Benefits:		
Provisions for Gratuity	77.79	57.92
Provisions for Leave Encashment	11.76	8.49
<b>Total</b>	<b>89.55</b>	<b>66.41</b>

**NOTES** (Contd.)

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

**NOTE NO. 28****REVENUE FROM OPERATIONS**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>Sale of Products:</b>		
<b>1. Sale of Manufactured Goods:</b>		
(i) Steel Products	47,166.02	33,464.83
(ii) Paints Products	16,274.98	11,805.58
(iii) Power	124.11	112.42
<b>2. Sale of Traded Goods:</b>		
(i) Steel Products	3,481.96	132.66
(ii) Paints Products	7,768.61	8,142.77
(iii) Other Products	-	71.66
<b>Income from Services:</b>		
<b>3. Royalty on:</b>		
(i) Steel Products	9,158.97	8,533.37
(ii) Paints Products	100.98	258.84
<b>Total</b>	<b>84,075.63</b>	<b>62,522.13</b>

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 31<sup>st</sup> March, 2022 is as under:

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Steel	50,647.98	33,597.49
Paint	24,043.59	19,948.35
Power	124.11	112.42
Royalty Income	9,259.95	8,792.21
Others	-	71.66
<b>Total</b>	<b>84,075.63</b>	<b>62,522.13</b>

**b) RECONCILIATION OF REVENUE**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Gross value of Contracted Price	93,010.53	69,393.49
Less: Variable Component like Discount, Credit notes for various schemes, etc.	8,934.90	6,871.36
<b>Total</b>	<b>84,075.63</b>	<b>62,522.13</b>

## NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

### c) RECONCILIATION OF UNBILLED REVENUE

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Balance of unbilled revenue at the beginning of the year	953.69	-
Less : Revenue recognised out of unbilled revenue during the year	953.69	-
Add : Revenue recognised as unbilled revenue during the year	817.23	953.68
<b>Balance at the end of the year</b>	<b>817.23</b>	<b>953.68</b>

### d) RECONCILIATION OF ADVANCE RECEIVED FROM CUSTOMERS

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Balance at the beginning of the year	248.63	130.32
Less : Revenue recognised out of advance received from customers at beginning of year	215.67	74.70
Add : Advance received during the year from customers for which performance obligation is not satisfied and shall be recognised as revenue in next year	319.59	193.01
<b>Balance at the end of the year</b>	<b>352.55</b>	<b>248.63</b>

## NOTE NO. 29

### OTHER INCOME

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>Interest Income:</b>		
(i) Interest from Bank on Fixed Deposits	8.98	10.04
(ii) Interest Others	7.00	7.68
(iii) Interest components on measurement of financial assets/ liabilities at amortized cost (net)	4.77	6.99
<b>Other non-operating Income:</b>		
(i) Insurance Claims received	3.34	32.24
(ii) Dividend Income	7.76	3.93
(iii) Miscellaneous Incomes	0.23	0.31
(iv) Profit on Sale/discarding of Assets	0.87	1.38
(v) Interest on Income Tax / Sales Tax Refund	-	4.12
(vi) Realised Gain on PMS	59.56	-
(vii) Unrealised Gain on valuation of PMS measured at fair value through profit or loss	105.91	282.69
<b>Total</b>	<b>198.42</b>	<b>349.38</b>

**NOTES** (Contd.)

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

**NOTE NO. 30****COST OF MATERIALS CONSUMED**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
a. Raw Materials		
Opening Stock	1,037.25	1,146.12
Add : Purchases	49,747.58	33,635.02
Less : Closing Stock	1,143.28	1,037.25
<b>Total (a)</b>	<b>49,641.55</b>	<b>33,743.89</b>
b. Cost of Packing Materials		
Opening Stock	338.54	255.11
Add : Purchases	2,458.33	1,388.43
Less : Closing Stock	440.42	338.54
<b>Total (b)</b>	<b>2,356.45</b>	<b>1,305.00</b>
<b>Total (a+b)</b>	<b>51,998.00</b>	<b>35,048.89</b>

**NOTE NO. 31****PURCHASES OF STOCK-IN-TRADE**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Purchases	9,209.73	6,747.97
<b>Total</b>	<b>9,209.73</b>	<b>6,747.97</b>

**NOTE NO. 32****CHANGES IN INVENTORY OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
a. Closing Stock		
Finished Goods	5,356.40	4,319.58
Stock in Process	31.34	20.24
Stock of Traded Goods	299.75	628.29
Waste, Scraps & Runner Risers	70.94	36.02
<b>Total (a)</b>	<b>5,758.43</b>	<b>5,004.13</b>
b. Opening Stock		
Finished Goods	4,319.58	4,985.47
Stock in Process	20.24	44.17
Stock of Traded Goods	628.29	1,040.26
Waste, Scraps & Runner Risers	36.02	32.33
<b>Total (b)</b>	<b>5,004.13</b>	<b>6,102.23</b>
<b>(Increase)/Decrease in stocks (b-a)</b>	<b>(754.30)</b>	<b>1,098.10</b>

**NOTE NO. 33**

Exceptional items of ₹ 583.09 Lakhs (Previous Year ₹ 1003.37 Lakhs) represents write down of insurance claim recoverable upon final settlement with insurance company in respect of fire claim at paint unit of the Company in FY 2019-20.

## NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

### NOTE NO. 34

#### EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Salary and Wages	5,663.88	4,494.11
Gratuity Expenses	95.80	79.27
Contribution to Provident Fund and Other Funds	198.71	174.82
Staff Welfare Expenses	66.25	56.64
<b>Total</b>	<b>6,024.64</b>	<b>4,804.84</b>

### NOTE NO. 35

#### FINANCE COSTS

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Interest on Loan	854.98	1,209.66
Interest Other	45.24	44.76
Interest on Lease Liability	73.43	74.98
Other Financial Charges	40.68	28.97
Interest on Income tax	0.04	0.46
<b>Total</b>	<b>1,014.37</b>	<b>1,358.83</b>

### NOTE NO. 36

#### DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Depreciation on Property Plant and Equipment	742.79	690.41
Depreciation on Right of use Assets	183.30	175.88
<b>Total</b>	<b>926.09</b>	<b>866.29</b>

### NOTE NO. 37

#### OTHER EXPENSES

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Consumption of Stores and Spares	334.78	250.73
Audit Fees	6.00	5.25
Advertisement	428.07	536.03
Bad Debts	116.59	110.56
Bank and Other Charges	32.30	35.94
Commission on Sales	580.22	536.42
Director Sitting Fees	18.90	17.61
Electricity and Water Expenses	22.43	11.04
Freight and Forwarding Expenses	2,390.79	2,130.98

**NOTES** (Contd.)**FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Fuel Charges	1,119.69	803.16
Insurance Charges	80.33	77.21
IIFL PMS Expenses	21.82	16.24
Legal and Professional Charges	177.70	146.90
Office Maintenance Exp.	33.83	30.88
Postage and Courier Charges	13.85	12.41
Printing and Stationery	60.32	45.32
Provision for Expected Credit Loss	388.97	275.24
Power Charges	1,921.31	1,707.87
Rates, Fee and Taxes (including Authorized share capital increase fees of ₹ 8.63 Lakhs)	86.44	83.22
Short term Lease	170.15	123.84
Repair and Maintenance	602.68	574.36
Sales Promotion	2,443.47	1,791.19
Telephone Expenses	64.44	60.84
Travelling and Conveyance	522.62	361.40
Realised Loss on sale of PMS	-	6.17
Vehicle Running and Maintenance	54.24	31.94
CSR Expenses (including uneligible CSR expenses of ₹ 14.20 Lakhs)	51.00	40.00
Donation	1.27	6.04
Miscellaneous Expenses	23.55	18.46
<b>Total</b>	<b>11,767.76</b>	<b>9,847.25</b>

**NOTE NO. 38****PAYMENT TO THE AUDITORS**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Statutory audit fee	5.25	4.65
Tax audit fee	0.75	0.60
<b>Total</b>	<b>6.00</b>	<b>5.25</b>

**NOTE NO. 39****EARNING PER SHARE (EPS)**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>Basic and Diluted Earnings Per Share</b>		
Profit after tax as per the Statement of Profit and Loss	2,631.89	1,509.11
No. of equity shares	2,69,35,500	2,65,43,250
Weighted Average No. of equity shares outstanding during the year	2,69,35,500	2,68,39,045
Basic Earning Per Share (₹)	9.77	5.62
Diluted Earning Per Share (₹)	9.77	5.62



## NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

### NOTE NO. 40

THE COMPANY HAS INCURRED FOLLOWING EXPENDITURE ON RESEARCH AND DEVELOPMENT WHICH ARE INCLUDED IN THE RESPECTIVE HEADS OF EXPENSES. (₹ in Lakhs)

Revenue Expenditure	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Employee Cost	59.85	53.21
Testing and Laboratory Expenses	8.09	4.48
Vehicle Running Maintenance	4.21	4.17
Material Consumed	0.65	0.52
<b>Total</b>	<b>72.80</b>	<b>62.38</b>

### NOTE NO. 41

DETAILS OF EXPENDITURE INCURRED ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES AND SHORT FALL IN SPENDING IN CSR: (₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
i) Total amount required to be spent by the Company during the year in accordance with the provision of section 135 of the Companies Act 2013.	36.80	39.34
ii) Amount of expenses incurred on		
- Construction/ Acquisition of any assets	-	-
- On purpose other than above	*36.80	40.01
iii) Shortfall at the end of the year in respect of on-going projects	-	(0.67)
iv) Total of previous year shortfall	-	-

Details of Related party transactions in relation to CSR expenditure as per relevant Accounting Standard	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Contribution to Kamdhenu Jeevandhara Foundation for carrying out Education & Skill development programme and also medical facilities on an on-going basis.	-	22.35

#### Nature of CSR Activity:

During the year the Company has contributed an amount of ₹ 2.50 Lakhs towards old age home and a rescue center set up by Earth Savior Foundation (NGO). (CSR Reg. No. : CSR00002026)

\* Includes unspent amount on on-going project on Education & Skill development program and also medical facilities by Kamdhenu Jeevandhara Foundation amounting to ₹ 34.30 Lakhs for which provision for liability for the amount has been made as at 31<sup>st</sup> March, 2022 and is separately disclosed on "Unspent CSR Expenses" in other current financial liabilities in note no. 25 representing the extent to which the amount is to be transferred with in 30 days of end of financial year ended 31<sup>st</sup> March, 2022. The Company has since transferred unspent CSR expenses amount of ₹ 34.30 Lakhs to " Unspent CSR account- FY 2021-2022 on 22<sup>nd</sup> April, 2022 in compliance with provision of section 135 (6) of Companies Act, 2013.

**NOTES** (Contd.)

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

**NOTE NO. 42****CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>a. Contingent Liabilities</b>		
(i) Claims against the Company not acknowledged as debt		
- Central Excise and Service Tax*	912.64	305.00
- VAT and Entry Tax	-	74.18
- Income Tax**	713.23	
(ii) Guarantees issued by Bank	2.00	2.00
	<b>1,627.87</b>	<b>381.18</b>
<b>b. Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advance)	191.85	11.91
	<b>191.85</b>	<b>11.91</b>
<b>Total (a+b)</b>	<b>1,819.73</b>	<b>393.08</b>

\*Demand of ₹ 912.64 Lakhs as penalty under Rule 26 of Central Excise Rules, 2002, at Kamdhenu Limited as Co-noticee in various matters out of which ₹ 8 Lakhs has been deposited under protest. All matters are pertaining to FY 2008-09 and appeal before CESTAT have been filed against each orders except order dated 22<sup>nd</sup> March, 2022 of ₹ 607.64 Lakhs which is under appeal filing process.

\*\*Demand of ₹ 709.83 Lakhs has been determined under section 143(3) of Income tax Act 1961 for A.Y. 2018-19 out of which ₹ 142.30 Lakhs has been deposited under protest and appeal is pending before National Faceless Appeal Centre (NFAC).

\*\*Demand of ₹ 3.39 has determined under section 154 of Income tax Act 1961 for A.Y. 2019-20 out of which ₹ 0.70 Lakhs has been deposited under protest and appeal is pending before National Faceless Appeal Centre (NFAC).

**NOTE NO. 43****THE DISCLOSURE OF EMPLOYEES BENEFITS AS DEFINED IN THE INDIAN ACCOUNTING STANDARD-19 "EMPLOYEE BENEFITS" ARE AS FOLLOWS:****A) DEFINED BENEFIT PLAN - GRATUITY (UNFUNDED)****I) Assumptions****a) Financial Assumptions**

- i) Discount Rate: The rate used to discount post-employment benefit obligations is determined by reference to market yields at the balance sheet date on government bonds. The currency and term of the government bonds is consistent with the currency and estimated term of the post-employment benefit obligations as under:

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Interest Rate for Discounting	7.20%	6.70%

## NOTES (Contd.)

### FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

- ii) Salary Increase: Salary increase takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Salary Increase Rate	5.00%	5.00%

#### b) Demographic Assumptions

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Retirement Age	58 Year	58 Year

Mortality: Indian Assured Lives Mortality (2012-14) ult. (IALM 2012-14). Rates at specimen ages are as shown below:

Age (Years)	Rates	Age (Years)	Rates
15	0.000698	60	0.011162
20	0.000924	65	0.015932
25	0.000931	70	0.024058
30	0.000977	75	0.038221
35	0.001202	80	0.061985
40	0.001680	85	0.100979
45	0.002579	90	0.163507
50	0.004436	95	0.259706
55	0.007513	100	0.397733

Indian Assured Lives Mortality (2012-14) ultimate table are used of calculations as on 31<sup>st</sup> March, 2021 and 31<sup>st</sup> March, 2022.

**Withdrawal: Withdrawal rates are for all causes in accordance with the following table:**

Age	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Up to 30 Years	4% per annum	4% per annum
31 to 45 Years	2% per annum	2% per annum
Above 45 Years	2% per annum	2% per annum

Disability: Leaving service due to disability is included in the provision made for withdrawals from service.

#### II) Method of Valuation

- Projected unit credit (PUC) actuarial method to assess the plan's liabilities allowing for retirements, deaths-in-service and withdrawals (Resignations / Terminations).
- Under the PUC method a projected accrued benefit is calculated at the beginning of the period and again at the end of the period for each benefit that will accrue for all active members of the plan. The projected accrued benefit is based on the plan accrual formula and service as at the beginning and end of the period, but using member's final compensation, projected to the age at which the employee is assumed to leave active service. The plan liability is the actuarial present value of the projected accrued benefits as on the date of valuation.

**NOTES** (Contd.)

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

**III) Summary of Membership Data**

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Number of Employees	900	858
Qualifying Monthly Salary for Gratuity Computation	177.22	135.77
Average Past Service	5.61 yrs	5.29 yrs
Average Age	37.75 yrs	37.31 yrs
Average Outstanding Service of Employees upto Retirement	20.25 yrs	20.69 yrs

**IV) Summary of Key Results**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>a) Balance Sheet</b>		
Present Value of Defined Benefit Obligation	544.46	405.83
Fair Value of Plan Assets	-	-
Restriction on Assets Recognized	-	-
Net Liability arising from Defined Benefit Obligation	544.46	405.83
<b>b) Statement of Profit or Loss</b>		
Defined Benefit Costs recognized in Profit or Loss	95.80	79.27
<b>c) Remeasurements - Other Comprehensive Income (OCI)</b>		
Remeasurements of the net defined benefit liability (asset)	67.91	(18.48)
<b>d) Break-up of Defined Benefit Obligation at end of the year as per Schedule III to The Companies Act, 2013:</b>		
Current Liability	77.79	57.92
Non-Current Liability	466.67	347.91
<b>Total Defined Benefit Obligation at end of the year</b>	<b>544.46</b>	<b>405.83</b>

**V) Actuarial measurements may differ in future from the current measurements due to factors such as:**

- Plan experience differing from that anticipated by the economic or demographic assumptions
- Changes in economic or demographic assumptions
- Changes in plan provisions or applicable law
- Significant events since last actuarial valuation

**VI) Movements in the present value of the Defined Benefit Obligations**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Opening defined benefit obligation	405.83	364.88
Current Service Cost	68.61	54.46
Interest Cost	27.19	24.81
Remeasurement (gains)/ losses:		
- Actuarial (gains)/losses arising from changes in demographic assumptions	-	-
- Actuarial (gains)/losses arising from changes in financial assumptions	(27.36)	4.16
- Actuarial (gains)/losses arising from experience adjustments	95.27	(22.64)
- Other	-	-
Past service cost, including losses/(gains) on curtailments	-	-

## NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Liabilities extinguished on settlements	-	-
Liabilities assumed in a business combination	-	-
Exchange differences on foreign plans	-	-
Benefit Paid	(25.08)	(19.85)
Others	-	-
Closing defined benefit obligation	544.46	405.83

### VII) Movements in the fair value of the Plan Assets

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Opening fair value of plan assets	-	-
Interest Income	-	-
Remeasurement gain/(loss):	-	-
Return on plan assets (excluding amounts included in net interest expense)	-	-
Others	-	-
Contributions from the employer	-	-
Benefits paid	-	-
Other	-	-
Closing fair value of plan assets	-	-

### VIII) Service Cost

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Current Service Cost	68.61	54.46
Past Service Cost including curtailment gains/losses	-	-
Gains or Losses on non routine settlements	-	-
<b>Total</b>	<b>68.61</b>	<b>54.46</b>

### IX) Net Interest Cost (Income)

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Interest Cost on Defined Benefit Obligation	27.19	24.81
Interest Income on Plan Assets	-	-
Net Interest Cost (Income)	27.19	24.81

**NOTES** (Contd.)**FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022****X) Remeasurement of Defined Benefits Liability/ (Assets) in Other Comprehensive Income** (₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Return on plan assets (excluding amounts included in net interest expense)	-	-
Actuarial (gains)/ losses arising from changes in demographic assumptions	-	-
Actuarial (gains)/ losses arising from changes in financial assumptions	(27.36)	4.16
Actuarial (gains)/ losses arising from experience adjustments	95.27	(22.64)
Other	-	-
Adjustments for restrictions on the defined benefit asset	-	-
Components of defined benefit costs recognized in other comprehensive income	67.91	(18.48)

**XI) Amount recognized in the Statement of Profit and Loss** (₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Service Cost	68.61	54.46
Net Interest Cost (Income)	27.19	24.81
Defined Benefit Cost recognized in statement of Profit or Loss	95.80	79.27

**XII) The amount included in the Balance Sheet** (₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Present value of defined benefit obligation	544.46	405.83
Fair value of plan assets	-	-
Funded status	(544.46)	(405.83)
Restrictions on asset recognized	-	-
Other	-	-
Net liability arising from defined benefit obligation	544.46	405.83

**XIII) Illustration of the Component of Net Defined Benefit Obligation** (₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Net defined benefit liability at the start of the period	405.83	364.88
Service Cost	68.61	54.46
Net Interest Cost (Income)	27.19	24.81
Remeasurements	67.91	(18.48)
Contribution paid to the Fund	-	-
Benefits paid directly by the enterprise	(25.08)	(19.85)
Net defined benefit liability at the end of the period	544.46	405.83

## NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

### XIV) Plan Assets - Category wise description

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
GOI Securities	-	-
PSU Bonds	-	-
State/ Central Guaranteed	-	-
Special Deposits	-	-
Private Sector	-	-
Asset Invested in Insurance Scheme with the Insurer	-	-

### XV) Maturity Profile of Defined Benefit Obligation

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
a) Weighted Average duration of the defined benefit obligation	15 yrs	16 yrs
b) Duration of defined benefit obligation		
Duration (Years)		
1	77.79	57.92
2	15.68	10.68
3	13.93	11.27
4	33.58	9.01
5	19.89	25.61
Above 5	383.59	291.35
<b>Total</b>	<b>544.46</b>	<b>405.83</b>
c) Duration of defined benefit payments		
Duration (Years)		
1	80.54	59.83
2	17.41	11.77
3	16.58	13.25
4	42.83	11.30
5	27.20	34.28
Above 5	1,120.90	826.50
<b>Total</b>	<b>1,305.45</b>	<b>956.95</b>

### XVI) Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

**NOTES** (Contd.)**FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022****a) Changes in Defined benefit obligation due to 1% Increase/Decrease in Discount Rate, if all other assumptions remain constant.**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
a) Defined benefit obligation	544.46	405.83
b) Defined benefit obligation at 1% Increase in Discount rate	495.84	367.20
c) Defined benefit obligation at 1% Decrease in Discount rate	601.51	451.50
d) Decrease in Defined benefit obligation due to 1% increase in discount rate (a-b)	48.62	38.63
e) Increase in Defined benefit obligation due to 1% decrease in discount rate (c-a)	57.05	45.67

**b) Changes in Defined benefit obligation due to 1% Increase/Decrease in Expected rate of Salary Escalation, if all other assumptions remain constant.**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
a) Defined benefit obligation	544.46	405.83
b) Defined benefit obligation at 1% Increase in Expected Salary Escalation rate	601.49	451.83
c) Defined benefit obligation at 1% Decrease in Expected Salary Escalation rate	495.15	366.28
d) Increase in Defined benefit obligation due to 1% increase in Expected Salary Escalation rate (b-a)	57.03	46.00
e) Decrease in Defined benefit obligation due to 1% decrease in Expected Salary Escalation rate (a-c)	49.31	39.55

**XVII) Defined Benefit Obligation for Gratuity Benefit for Key Management Personnel**

(₹ in Lakhs)

Key Management Personnel	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Shri Harish Kumar Agarwal	14.51	12.85
Shri Khem Chand	0.18	-

**XVIII) Risks associated with Plan Provisions**

Risks associated with the plan provisions are actuarial risks. These risks are: (i) investment risk, (ii) interest risk (discount rate risk), (iii) mortality risk and (iv) salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to Government Bonds Yield. If plan liability is funded and return on plan assets is below this rate, it will create a plan deficit.
Interest risk (discount rate risk)	A decrease in the bond interest rate (discount rate) will increase the plan liability
Mortality risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants. For this report we have used Indian Assured Lives Mortality (2012-14) ultimate table. A change in mortality rate will have a bearing on the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.



## **NOTES** (Contd.)

**FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022**

### **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.

#### **NOTE NO. 44**

The Company 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 financial year is ₹ 184.60 Lakhs (previous year ₹ 159.56 Lakhs) and is included in Note no. 34 " Employees Benefit expenses".

#### **NOTE NO. 45**

### **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**

Demand/supply risk are inherent in the prices of Ingot/Billet, the main raw material and also the prices of TMT bar, the main product in Steel segment. 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 Company has also linked its sales to raw material prices so that the Company has adequate cushion to protect its margin in the event of any increase/decrease in raw material costs. The main raw material in paint segment is Alkyd Resin/Titanium Dioxide and its prices fluctuates based on change in international crude oil prices. In Paints segment, the volatility in final product prices is dependent on market forces.

#### **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 Company works with. The Company 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.

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 Company. The Company 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 Company 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 Company has followed Expected Credit Loss (ECL) model to provide for provision for ECL allowance.

The Company 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. The Company has invested in Portfolio Management Scheme with reputed asset management company and do not foresee any credit risk.

#### **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, bank overdrafts, bank loans. The Company considers liquidity risk as low risk.

**NOTES** (Contd.)**FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022****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 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:-

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Fixed rate borrowings	115.32	85.05
Variable rate borrowings	8,611.90	9,279.86
<b>Total Borrowings</b>	<b>8,727.22</b>	<b>9,364.91</b>

The impact on profit before tax of change in 50 basis points on variable rate borrowings are as under:-

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Increase in 50 basis point	(43.06)	(46.40)
Decrease in 50 basis point	43.06	46.40

**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.

(₹ in Lakhs)

31 <sup>st</sup> March, 2022	CONTRACTUAL CASH FLOWS				
	Carrying amount	Within 1 year	1-2 years	2-5 years	More than 5 years
<b>Borrowings:</b>					
Vehicle Loan	115.32	34.31	30.91	50.10	-
Covid Term Loan	1,756.26	569.89	423.54	762.83	-
Working Capital	6,855.64	6,855.64	-	-	-
Leased Liabilities	637.55	170.12	186.48	280.95	-
Trade Payables	9,049.18	9,049.18	-	-	-
Other financial liabilities	2,053.17	1,096.75	956.42	-	-

(₹ in Lakhs)

31 <sup>st</sup> March, 2021	CONTRACTUAL CASH FLOWS				
	Carrying amount	Within 1 year	1-2 years	2-5 years	More than 5 years
<b>Borrowings:</b>					
Vehicle Loan	85.05	38.07	13.11	33.87	-
Covid Term Loan	815.65	626.63	189.02	-	-
Working Capital	8,464.21	8,464.21	-	-	-
Leased Liabilities	658.20	152.34	134.76	371.10	-
Trade Payables	9,892.66	9,892.66	-	-	-
Other financial liabilities	1,857.29	1,075.71	743.51	-	-

## NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

### 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's net debts includes interest and non interest bearing loans less cash and bank balances.

The Company's net debt to Equity ratio is as under:

(₹ in Lakhs)

Particulars	As at	As at
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
Total Bank Borrowings	8,727.22	9,364.91
Less: Cash and Cash Equivalents	1,197.25	235.97
Adjusted net debt	7,529.97	9,128.94
Total Equity	21,813.53	19,477.69
Adjusted net debt to total equity	34.52%	46.87%

The Company's total owned funds of ₹ 21813.53 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 Company do not have any foreign currency exposure, hence no foreign currency risks.

#### NOTE NO. 46

### FINANCIAL INSTRUMENTS: ACCOUNTING CLASSIFICATION, FAIR VALUE MEASUREMENTS

(₹ in Lakhs)

31 <sup>st</sup> March, 2022	Carrying Value	Classification			Fair Value		
		FVTPL	FVTOCI	Amortized Cost	Level 1	Level 2	Level 3
<b>Financial Assets:</b>							
Investment in Subsidiary	4.04	-	-	4.04	-	-	-
Investment Other	1,165.99	967.90	198.09	-	967.90	-	198.09
Loans	55.56	-	-	55.56	-	-	-
Other Financial Assets	763.01	-	-	763.01	-	-	-
Trade Receivable	19,818.95	-	-	19,818.95	-	-	-
Cash and cash equivalents	1,197.25	-	-	1,197.25	-	-	-
Other Bank Balances	202.26	-	-	202.26	-	-	-

(₹ in Lakhs)

31 <sup>st</sup> March, 2022	Carrying Value	Classification			Fair Value		
		FVTPL	FVTOCI	Amortized Cost	Level 1	Level 2	Level 3
<b>Financial Liabilities:</b>							
Borrowings	8,727.22	-	-	8,727.22	-	-	-
Leased Liabilities	637.55	-	-	637.55	-	-	-
Trade Payables	9,049.18	-	-	9,049.18	-	-	-
Other Financial Liabilities	2,053.17	-	-	2,053.17	-	-	-

**NOTES** (Contd.)

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ in Lakhs)

31 <sup>st</sup> March, 2021	Carrying Value	Classification			Fair Value		
		FVTPL	FVTOCI	Amortized Cost	Level 1	Level 2	Level 3
<b>Financial Assets:</b>							
Investment in Subsidiary	4.04	-	-	4.04	-	-	-
Investment Other	852.43	617.23	235.20	-	617.23	-	235.20
Loans	51.27	-	-	51.27	-	-	-
Other Financial Assets	2,882.07	-	-	2,882.07	-	-	-
Trade Receivable	19,975.78	-	-	19,975.78	-	-	-
Cash and cash equivalents	235.97	-	-	235.97	-	-	-
Other Bank Balances	172.19	-	-	172.19	-	-	-

(₹ in Lakhs)

31 <sup>st</sup> March, 2021	Carrying Value	Classification			Fair Value		
		FVTPL	FVTOCI	Amortized Cost	Level 1	Level 2	Level 3
<b>Financial Liabilities:</b>							
Borrowings	9,364.91	-	-	9,364.91	-	-	-
Leased Liabilities	658.20	-	-	658.20	-	-	-
Trade Payables	9,892.66	-	-	9,892.66	-	-	-
Other Financial Liabilities	1,857.29	-	-	1,857.29	-	-	-

**NOTE NO. 47****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 Company is principally engaged in two business segment viz., Steel and Paint.

The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with following additional policies for segment reporting:

- Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".
- Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Segment Revenue</b>		
- Steel	59,931.06	42,314.94
- Paints	24,144.57	20,207.19
<b>Gross Revenue from Operations</b>	<b>84,075.63</b>	<b>62,522.13</b>
<b>Segment Results</b>		
- Steel	5,739.63	5,795.66
- Paints	38.74	(1,492.42)
<b>Profit/(Loss) before finance cost, Tax and unallocable items</b>	<b>5,778.37</b>	<b>4,303.23</b>

## NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Less: Finance cost	1,014.37	1,358.83
Less: Other Unallocable Expenditure net of Income	1,259.33	848.44
<b>Total Profit / (loss) before Tax</b>	<b>3,504.67</b>	<b>2,095.97</b>
<b>Segment Assets</b>		
- Steel	19,345.95	20,763.20
- Paints	23,484.79	21,044.03
- Unallocable	1,406.44	1,305.86
<b>Total Segment Assets</b>	<b>44,237.18</b>	<b>43,113.09</b>
<b>Segment Liabilities</b>		
- Steel	8,053.97	7,318.41
- Paints	14,016.24	15,774.90
- Unallocable	353.44	542.09
<b>Total Segment Liabilities</b>	<b>22,423.65</b>	<b>23,635.40</b>

### 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.)

(₹ in Lakhs)

India	84,075.63	62,522.13
Outside India	-	-

- ii) None of the non-current assets are located outside India.  
iii) There are no transaction with in a single customer amounting to 10% or more of the Company is as under

### NOTE NO. 48

#### 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	Name of Related Party
<b>Key Management Personnel</b>	Shri Satish Kumar Agarwal, Chairman & Managing Director Shri Sunil Kumar Agarwal, Whole Time Director Shri Saurabh Agarwal, Whole Time Director Shri Sachin Agarwal, Whole Time Director Shri Harish Kumar Agarwal-Chief Financial Officer Shri Ashish Kapil-Company Secretary till 3 <sup>rd</sup> April, 2021 Shri Khem Chand-Company Secretary from 9 <sup>th</sup> August, 2021
<b>Other</b>	Ms. Somya Agarwal (D/o Shri Sunil Kumar Agarwal - Whole Time Director) M/s Environ Care Product LLP - {Independent Director of the Co. (Shri Ramesh Chand Surana) is designated partner in M/s Environ Care Product LLP}
<b>Subsidiary Company</b>	Kamdhenu Ventures Limited
<b>Step Subsidiary Company</b>	Kamdhenu Colour and Coatings Limited

**NOTES** (Contd.)**FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022****B. Disclosure of Transactions with Related Parties, as required by Ind AS 24 'Related Party Disclosure' is given below:**

(₹ in Lakhs)

Remuneration/Perquisites	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>Short-term employee benefits to Key Managerial Personnel</b>		
Shri Satish Kumar Agarwal, Chairman & Managing Director	228.79	144.54
Shri Sunil Kumar Agarwal, Whole Time Director	225.79	142.17
Shri Saurabh Agarwal, Whole Time Director	222.79	138.79
Shri Sachin Agarwal, Whole Time Director	222.79	138.79
Shri Harish Kumar Agarwal-Chief Financial Officer	40.13	34.44
Shri Khem Chand- Company Secretary	7.74	-
Shri Ashish Kapil- Company Secretary	0.18	4.61
Shri Jogeswar Mohanty-Company Secretary	-	8.39
<b>Total</b>	<b>948.22</b>	<b>611.73</b>
<b>Defined Benefit Obligation - Gratuity</b>		
Shri Harish Kumar Agarwal-Chief Financial Officer	14.51	12.85
Shri Khem Chand- Company Secretary	0.18	-
<b>Total</b>	<b>14.69</b>	<b>12.85</b>
<b>Defined Benefit Obligation - Leave Encashment</b>		
Shri Harish Kumar Agarwal-Chief Financial Officer	1.89	1.37
Shri Khem Chand- Company Secretary	0.16	-
<b>Total</b>	<b>2.05</b>	<b>1.37</b>
<b>Share Based Payment- ESOS</b>		
Shri Harish Kumar Agarwal-Chief Financial Officer	-	19.00
Shri Jogeswar Mohanty-Company Secretary	-	3.80
	-	<b>22.80</b>
<b>Director Sitting Fee</b>		
Shri Ramesh Chand Surana, Independent Director	4.50	5.01
Shri Ramesh Chandra Jain, Independent Director	5.40	2.80
Shri Madhusudan Agarwal, Independent Director	5.20	-
Smt Nishal Jain, Independent Director	3.80	4.60
Shri Mahendra Kumar Doogar, Independent Director	-	5.20
<b>Total</b>	<b>18.90</b>	<b>17.61</b>
<b>C. Others Transactions</b>		
Shri Satish Kumar Agarwal -Sale of TMT Bar- Chairman & Managing Director	1.15	-
M/s Environ Care Product LLP - (Sale of Paint) {Independent Director of the Co. (Shri Ramesh Chand Surana) is designated partner in M/s Environ Care Product LLP}	0.62	-
Ms. Somya Agarwal - Employee Benefits (D/o Shri Sunil Kumar Agarwal - Whole Time Director)	28.67	27.45
<b>Total</b>	<b>30.44</b>	<b>27.45</b>

## NOTES (Contd.)

### FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

#### NOTE NO. 49

The Ministry of Corporate Affairs ( MCA ) through Companies ( Indian Accounting Standard) Amendment Rules 2019 and Companies ( Indian Accounting Standard) Second Amendment Rules has notified Ind AS 116 'leases' which replaces existing lease standard, Ind AS 17 Leases and other Interpretation. Ind AS 116 sets out the principles for recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single on balance sheet lease accounting model for lessees.

The Company has adopted Ind AS 116 effective annual reporting period beginning from 1<sup>st</sup> April, 2019 and applied the standard to its leases retrospectively with the cumulative effect of initially applying the standard, recognised on the date of initial application (1<sup>st</sup> April, 2019). The cumulative effect of initially applying standard has been recognised as an adjustment to opening balance of retained earnings as on 1<sup>st</sup> April, 2019.

On application of Ind AS 116, the nature of expense has changed from lease rent in previous periods to depreciation cost for right of use asset and finance cost for interest accrued on lease liability.

The detail of right of use asset held by the Company is as follows:

Particulars	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Building</b>		
Opening Balance of Right of use assets	500.33	676.21
Addition in Right of use assets during the year ended	145.40	-
Amortisation of Right of use assets	(183.30)	(175.88)
Balance of Right of use assets	462.43	500.33

Depreciation on right of use asset is ₹ 183.30 Lakhs and interest on lease liability for year ended 31<sup>st</sup> March, 2022 is ₹ 73.43 Lakhs. Lease Contracts entered by the Company majorly pertains to building taken on lease to conduct the business activities in ordinary course.

#### Impact of Covid-19

The leases that the Company 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	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Current lease liability	170.12	152.34
Non-Current lease liability	467.43	505.86
<b>Total</b>	<b>637.55</b>	<b>658.20</b>

Movement in Lease Liability are as follows:-

Particulars	(₹ in Lakhs)	
	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Balance at the beginning of the year	658.20	823.54
Addition during the year	145.40	-
Finance cost accrued during the year	73.43	74.98
Deletion during the year	-	-
Payment of lease liability and Interest there on	239.48	240.32
Balance at the end of the year	637.55	658.20

**NOTES** (Contd.)**FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022**

The table below provides details regarding the Contractual Maturities of Lease Payment as at 31<sup>st</sup> March, 2022 on an Undiscounted basis:

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Less than one year	225.92	210.87
One to five year	532.70	597.26

The Company do not foresee Liquidity Risk with regard to its Lease Liabilities as the Current Assets are Sufficient to meet the obligation related to Lease Liability as and when they fall due.

**NOTE NO. 50****OTHER REGULATORY DISCLOSURE****Ratios**

S.N.	Ratio	Numerator	Denominator	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021	% 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
1	Current ratio (in times)	Total Current Assets	Total Current Liabilities	1.76	1.52	15.14%	
2	Debt-Equity ratio (in times)	Debts consists of borrowings from bank and lease liabilities	Total Equity	0.43	0.51	-16.57%	
3	Debt service coverage ratio (in times)	Earning for debt service = Net Profit after tax+Non cash operating expenses+Interest Expenses+Other non cash adjustment	Debt Service= Interest Expenses+Principal Repayment of Debt+ Payment Lease liabilities	2.66	0.95	180.31%	Debt service coverage ratio has improved due to reduction in finance cost and reduction in debt position
4	Return on equity ratio (in %)	Profit after Tax	Total Equity	12.07%	7.75%	55.72%	Return on equity has increased due to increase in profitability
5	Inventory Turnover ratio (in times)	Turnover excluding royalty	Average inventory	10.34	7.38	40.02%	Inventory turnover ratio has increased due to increase in turnover in comparison of Inventory level
6	Trade receivable turnover ratio (in times)	Total turnover	Average Closing Trade Receivable	4.23	3.04	39.18%	Trade Receivables have not increased materially. The Turnover ratio has declined due to increase in turnover and no material change in Trade receivables.
7	Trade payable turnover ratio (in times)	Cost of Material Consumed +Trading Purchase	Average Closing Trade Payable	6.46	3.78	70.87%	Trade Payable turnover ratio have increased due to decrease in Trade Payable Level.





## NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

S.N.	Ratio	Numerator	Denominator	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021	% 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
8	Net Capital turnover ratio (in times)	Total turnover	Working capital= Current Assets- Current Liabilities	5.92	5.63	5.18%	
9	Net profit ratio (in %)	Profit after Tax	Total turnover	3.13%	2.41%	29.69%	Net profit ratio have increased due to increase in profitability.
10	Return on Capital employed (in %)	Profit before tax and Interest Expenses	Capital employed= Net worth+Borrowings+Lease liabilities+Deferred tax liabilities	14.06%	11.25%	24.94%	
11	Return on Investment (in %) on PMS	Income generated from investment during the year	Average invested fund in PMS	19.10%	54.45%	-64.91%	Return on Investment have declined due to further investment and owing to market volatility.

### NOTE NO. 51

#### RELATIONSHIP WITH STRUCK OFF COMPANIES

Disclosure in respect to relationships with struck off companies under section 248 of Companies Act, 2013 or section 560 of Companies Act 1956 are as under:-

(₹ in Lakhs)

Sr. No.	Name of Struck off Company	Nature of Transaction with Struck off Company	Balance outstanding		Relationship with struck off companies	Remarks
			As at 31 <sup>st</sup> Mar, 2022	As at 31 <sup>st</sup> Mar, 2021		
1	Tecon Infrastructure Private Limited	Trade Receivable	-	29.79	Customer in ordinary course of business	During the year company has written off amount as bad debts.
2	Louhka Technocrat Builders & Eng. (P). Limited	Trade Receivable	-	24.85	Customer in ordinary course of business	During the year company has written off amount as bad debts.
3	AMC Project (P). Limited	Trade Receivable	-	1.25	Customer in ordinary course of business	During the year company has written off amount as bad debts.
4	Smart M.K Trade World Private Limited	Trade Receivable	-	0.66	Customer in ordinary course of business	During the year company has written off amount as bad debts.
5	MX Infra Limited	Trade Receivable	-	0.24	Customer in ordinary course of business	During the year company has written off amount as bad debts.

**NOTES** (Contd.)**FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022****NOTE NO. 52**

The Hon'ble National Company Law Tribunal, Chandigarh Bench, Chandigarh ('NCLT') during the hearing held on 22<sup>nd</sup> April, 2022, has reserved the order on the Scheme of Arrangements ('Scheme') including the De-merger of the Paint Business of the Company into a separate entity. The order is pending to be pronounced by the NCLT. Accordingly, no disclosure of accounting effect of such amalgamation and de-merger in the books of accounts of the Company has been made in the financial statements for the FY 2021-22.

**NOTE NO. 53**

The Company continues to monitor the impact of COVID 19 on its business including its impact on customers, supply chain etc. Due care has been exercised on significant accounting judgement and estimates including in relation to recoverability of receivables, inventory and other financial assets based on information available to date while preparing the Company's financial statements for the FY 2021-22.

**NOTE NO. 54**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under companies (Indian Accounting Standards) Rules as issued from time to time on 23<sup>rd</sup> March, 2022. MCA amended the companies (Indian Accounting Standards) Amendment Rules, 2022, as below

**Ind AS 16- Property Plant and equipment-** The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing. If any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after 1<sup>st</sup> April, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

**Ind AS 37- Provisions, Contingent Liabilities and Contingent Assets-** The amendment specifies that the "cost of fulfilling" a contract comprises the 'costs that relate directly to the contract', Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labor, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after 1<sup>st</sup> April, 2022, although early adoption is permitted, The Company has evaluated the amendment and there is no impact on the financial statement.

**NOTE NO. 55****DISCLOSURE IN ACCORDANCE WITH REQUIREMENTS UNDER IND AS-10 EVENT AFTER THE REPORTING DATE:**

The Board of Directors of the Company have recommended dividend of ₹ 1/- per share for the financial year ended 31<sup>st</sup> March, 2022 for the approval of shareholders. The actual dividend outgo will be dependent on share capital outstanding as on record date.

**NOTE NO. 56**

Previous years figures have been regrouped, rearranged or reclassified, whenever necessary to confirm the current year's classification.

As per our report of even date attached

**For B S D & CO.**

Chartered Accountants

Firm Registration No. 000312S

**(Surendra Khinvasra)**

Partner

Membership No.070804

Date : 30<sup>th</sup> May, 2022

Place: Gurgaon

For and on behalf of Board of Directors of

**Kamdhenu Limited**

**(Satish Kumar Agarwal)**

Chairman & Managing Director

DIN: 00005981

**(Harish Kumar Agarwal)**

Chief Financial Officer

**(Sunil Kumar Agarwal)**

Whole Time Director

DIN: 00005973

**(Khem Chand)**

Company Secretary

## INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF KAMDHENU LIMITED

### REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

#### Opinion

We have audited the accompanying consolidated financial statements of KAMDHENU 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, 2022, 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, 2022, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

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 key audit matters to be communicated in our report.

#### Information Other than the Consolidated Financial Statements and Auditor's 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 this Auditor 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 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



## INDEPENDENT AUDITORS' REPORT (Contd.)

respective Board of Directors of the companies included in the Group are responsible for maintenance of the adequate 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 company which is company 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 and 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

## INDEPENDENT AUDITORS' REPORT (Contd.)

which we are the independent auditors.

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 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, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors of the holding Company as on March 31, 2022 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, 2022 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 holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- 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, if any, on long term contracts including derivative contracts.



## INDEPENDENT AUDITORS' REPORT (Contd.)

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the holding Company and subsidiary company incorporated in India.
- iv. (a) The respective Managements of the Company and its subsidiary which is company 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 subsidiary to or in any other person or entity, including foreign entity ("Ultimate Beneficiaries"), 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 subsidiary ("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 subsidiary which is company 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 subsidiary 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 subsidiary 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 subsidiary which is company 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. As stated in Note 14 (d) and 56 to the consolidated financial statements
- (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
- (b) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
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 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 **BSD & Co.**

Chartered Accountants

Firm's registration number: 000312S

**Surendra Khinvasra**

Partner

Membership number: 070804

UDIN: 22070804AJXSNY7086

Place: Gurgaon

Date: 30<sup>th</sup> May, 2022

## **ANNEXURE - A** **TO THE 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, 2022, we have audited the internal financial controls over financial reporting of **Kamdhenu Limited** ("the Holding Company") as of that date.

#### **Management's Responsibility for Internal Financial Controls**

The Board of Directors of the Holding Company incorporated in India, 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.

#### **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



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

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 its 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 2022, 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 **BSD & Co.**

Chartered Accountants

Firm's registration number: 000312S

**Surendra Khinvasra**

Partner

Membership number: 070804

UDIN: 22070804AJXSNY7086

Place: Gurgaon

Date: 30<sup>th</sup> May, 2022

### **Annexure I: List of entities consolidated as at March 31, 2022**

**1. Kamdhenu Ventures Limited (Consolidated)- Wholly owned Subsidiary**



## CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2022

(₹ in Lakhs)

Particulars	Note No.	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>ASSETS</b>			
<b>1. Non-Current Assets</b>			
(a) Property, Plant and Equipment	1	8,849.44	8,575.94
(b) Capital Work in Progress	1	99.48	75.52
(c) Right of Use Assets	1	462.43	500.33
(d) Goodwill on consolidation		0.83	0.83
(e) Financial Assets			
(i) Investment in subsidiary	2	1.00	1.00
(ii) Other Investment	2	198.09	235.20
(iii) Loans	3	18.08	8.60
(iv) Other Financial Assets	4	312.97	296.59
(f) Other Non-Current Assets	5	1,270.47	1,113.23
<b>Total Non-Current Assets</b>		<b>11,212.79</b>	<b>10,807.24</b>
<b>2. Current Assets</b>			
(a) Inventories	6	7,743.27	6,728.67
(b) Financial Assets			
(i) Investment	7	967.90	617.23
(ii) Trade Receivables	8	19,818.95	19,975.78
(iii) Cash and Cash Equivalents	9	1,201.57	237.96
(iv) Bank Balances other than (iii) above	10	202.26	172.19
(v) Loans	11	37.48	42.67
(vi) Other Financial Assets	12	450.24	2,585.68
(c) Other Current Assets	13	2,605.03	1,945.65
<b>Total Current Assets</b>		<b>33,026.70</b>	<b>32,305.83</b>
<b>Total Assets</b>		<b>44,239.49</b>	<b>43,113.07</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	14	2,693.55	2,693.55
(b) Other Equity	15	19,116.85	16,781.69
<b>Total Equity</b>		<b>21,810.40</b>	<b>19,475.24</b>
<b>Liabilities</b>			
<b>1. Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	16	1,267.38	236.00
(ii) Lease Liabilities	17	467.43	505.86
(iii) Other Financial Liabilities	18	956.43	743.52
(b) Provisions	19	563.88	416.16
(c) Deferred Tax Liabilities (Net)	20	353.43	542.08
<b>Total Non-Current Liabilities</b>		<b>3,608.55</b>	<b>2,443.62</b>
<b>2. Current Liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	22	7,464.84	9,130.91
(ii) Lease Liabilities	23	170.12	152.34
(iii) Trade Payables	24		
- total outstanding dues of micro enterprises and small enterprises		1,385.61	1,775.60
- total outstanding dues of creditors other than micro enterprises and small enterprises		7,664.02	8,117.50
(iv) Other Financial Liabilities	25	1,096.75	1,113.78
(b) Other Current Liabilities	26	937.04	837.67
(c) Provisions	27	89.55	66.41
(d) Current Tax Liabilities (net)		12.61	-
<b>Total Current Liabilities</b>		<b>18,820.54</b>	<b>21,194.21</b>
<b>Total Liabilities</b>		<b>22,429.09</b>	<b>23,637.83</b>
<b>Total Equity and Liabilities</b>		<b>44,239.49</b>	<b>43,113.07</b>

### Significant Accounting Policies

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date attached

### For B S D & CO.

Chartered Accountants

Firm Registration No. 000312S

### (Surendra Khinvasra)

Partner

Membership No.070804

Date : 30<sup>th</sup> May, 2022

Place: Gurgaon

For and on behalf of Board of Directors of

### Kamdhenu Limited

### (Satish Kumar Agarwal)

Chairman & Managing Director

DIN: 00005981

### (Harish Kumar Agarwal)

Chief Financial Officer

### (Sunil Kumar Agarwal)

Whole Time Director

DIN: 00005973

### (Khem Chand)

Company Secretary



## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ in Lakhs)

Particulars	Note No.	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>I</b> Revenue from Operations	28	84,075.63	62,522.13
<b>II</b> Other Income	29	198.42	349.38
<b>III Total Income (I+II)</b>		<b>84,274.05</b>	<b>62,871.51</b>
<b>IV Expenses:</b>			
Cost of Materials Consumed	30	51,998.00	35,048.89
Purchases of Stock-in-Trade	31	9,209.73	6,747.97
Changes in Inventory of Finished Goods, Work-in-Process and Stock-in-Trade	32	(754.30)	1,098.10
Employee Benefits Expense	34	6,024.64	4,804.84
Finance Costs	35	1,014.37	1,358.83
Depreciation & Amortization Expense	36	926.09	866.29
Other Expenses	37	11,768.44	9,848.76
<b>Total Expenses (IV)</b>		<b>80,186.97</b>	<b>59,773.68</b>
<b>V Profit before exceptional items and tax (III-IV)</b>		<b>4,087.08</b>	<b>3,097.83</b>
<b>VI</b> Exceptional Items (Refer note no. 33)	33	583.09	1,003.37
<b>VII Profit/(Loss) before tax (V-VI)</b>		<b>3,503.99</b>	<b>2,094.46</b>
<b>VIII Tax Expenses:</b>	21		
(1) Current Tax		1,033.42	595.47
(2) Deferred Tax		(164.20)	(10.59)
(3) Income Tax of earlier years		3.57	1.96
<b>Total Tax Expenses (VIII)</b>		<b>872.79</b>	<b>586.84</b>
<b>IX Profit for the year after Tax (VII-VIII)</b>		<b>2,631.20</b>	<b>1,507.62</b>
<b>X Other Comprehensive Income:</b>			
<b>A. Items that will not be reclassified to profit or loss:</b>			
(i) Fair Value of Investments in Equity		(37.11)	(32.40)
(ii) Actuarial (Losses)/ Gain on defined benefit plans		(67.91)	18.48
(iii) Tax impact on above		24.45	8.17
<b>XI Total Comprehensive Income for the year (IX+X)</b>		<b>2,550.63</b>	<b>1,501.87</b>
<b>Profit for the year attributable to:</b>			
Equity holders of the parent		<b>2,631.20</b>	<b>1,507.62</b>
Non-controlling interests		-	-
<b>Total Comprehensive Income for the year attributable to:</b>		<b>2,550.63</b>	<b>1,501.87</b>
Equity holders of the parent		<b>2,550.63</b>	<b>1,501.87</b>
Non-controlling interests		-	-
<b>XII Earnings per equity share of face value of ₹10 each</b>	39		
Basic ( In ₹)		9.77	5.62
Diluted ( In ₹)		9.77	5.62

### Significant Accounting Policies

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date attached

**For B S D & CO.**

Chartered Accountants

Firm Registration No. 000312S

**(Surendra Khinvasra)**

Partner

Membership No.070804

Date : 30<sup>th</sup> May, 2022

Place: Gurgaon

For and on behalf of Board of Directors of

**Kamdhenu Limited**

**(Satish Kumar Agarwal)**

Chairman & Managing Director

DIN: 00005981

**(Harish Kumar Agarwal)**

Chief Financial Officer

**(Sunil Kumar Agarwal)**

Whole Time Director

DIN: 00005973

**(Khem Chand)**

Company Secretary

## CONSOLIDATED STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit Before Tax</b>	3,503.99	2,094.46
Non cash adjustment to Profit Before Tax:		
Interest Income	(15.98)	(17.72)
Depreciation and amortization	926.09	866.29
Interest Expenses	1,014.37	1,358.83
Remeasurement of the Defined Benefit Plan	102.95	44.07
Write down Insurance Claim	583.09	1,003.37
Loss/ (Gain) on disposal of Property, Plant and Equipment	(0.87)	(1.38)
Unrealized Loss/(Gain) on valuation of PMS measured at fair value(net)	(105.91)	(263.93)
Ind AS adjustment	(4.77)	(6.99)
Provision for Expected Credit Loss	388.97	275.24
<b>Operating profit before working capital changes</b>	<b>6,391.93</b>	<b>5,352.24</b>
<b>Net Change in</b>		
Inventories	(1,014.60)	1,095.54
Trade Receivables	(232.14)	982.10
Other Bank Balances	(30.07)	53.60
Other Financial Assets	1,541.07	609.97
Other Current Assets	(659.38)	(68.68)
Other Non Current Assets	(157.24)	(23.60)
Trade Payables	(873.66)	(2,316.78)
Other Current Financial Liabilities	118.87	(24.71)
Other Current Liabilities	99.37	(56.37)
Other Non-Current Financial Liabilities	205.41	14.06
<b>Cash Used from Operation</b>		
Income Taxes paid (net)	(1,024.38)	(597.43)
<b>Net Cash Flow from Operating Activities (A)</b>	<b>4,365.18</b>	<b>5,019.95</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Payment for acquisition of Property, Plant and Equipment & Capital WIP	(1,174.30)	(973.65)
Payment for investment in PMS-IIFL	(244.77)	-
Payment for investment in Equity shares of Kamdhenu Jeevandhara Foundation	-	(1.00)
Proceeds from sale of Property, Plant and Equipment	2.35	2.58
Interest Received	13.67	15.94
<b>Net Cash Flow from Investing Activities (B)</b>	<b>(1,403.05)</b>	<b>(956.13)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest Paid	(898.10)	(1,280.15)
Payment of Lease Liabilities	(239.48)	(240.32)
Net Change in Borrowings	(647.35)	(2,477.57)
Money Received against ESOP issued	-	39.23
Dividend paid (including dividend paid out of unclaimed dividend of earlier year)	(213.60)	(134.80)
<b>Net Cash Flow from Financing Activities (C)</b>	<b>(1,998.52)</b>	<b>(4,093.62)</b>
<b>Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>963.60</b>	<b>(29.80)</b>
<b>Opening Balance Cash and Cash Equivalents</b>	<b>237.96</b>	<b>267.76</b>
<b>Closing Balance Cash and Cash Equivalents</b>	<b>1,201.57</b>	<b>237.96</b>



## CONSOLIDATED STATEMENT OF CASH FLOW (Contd.)

### FOR THE YEAR ENDED 31ST MARCH, 2022

#### Components of Cash and Cash Equivalents

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Balances with Banks	184.08	211.78
Cash on hand	17.49	20.37
Deposits with maturity for less than 3 month	1,000.00	5.81
<b>Total</b>	<b>1,201.57</b>	<b>237.96</b>

#### Reconciliation Statement of Cash & Bank Balances

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Cash and Cash Equivalent as per above	1,201.57	237.96
Add: Balance with Bank in dividend/ unclaimed dividend account	17.75	15.87
Deposits with maturity for more than 3 month but less than 12 month	184.51	156.32
Fixed Deposits with bank having maturity period more than 12 months	1.49	1.32
<b>Total</b>	<b>1,405.32</b>	<b>411.47</b>

#### DISCLOSURE AS REQUIRED BY IND AS 7

#### Reconciliation of liabilities arising from financing activities

(₹ in Lakhs)

31 <sup>st</sup> March, 2022	Opening Balance	Cash Flows	Non Cash Changes	Closing Balance
Short term secured borrowings	9,130.91	(1,678.73)	12.66	7,464.84
Long term secured borrowings	236.00	1,031.38	-	1,267.38
<b>Total</b>	<b>9,366.91</b>	<b>(647.35)</b>	<b>12.66</b>	<b>8,732.22</b>

(₹ in Lakhs)

31 <sup>st</sup> March, 2021	Opening Balance	Cash Flows	Non Cash Changes	Closing Balance
Short term secured borrowings	11,800.97	(2,670.06)	-	9,130.91
Long term secured borrowings	43.51	192.49	-	236.00
<b>Total</b>	<b>11,844.48</b>	<b>(2,477.57)</b>	<b>-</b>	<b>9,366.91</b>

#### Significant Accounting Policies

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date attached

#### For B S D & CO.

Chartered Accountants

Firm Registration No. 000312S

#### (Surendra Khinvasra)

Partner

Membership No.070804

Date : 30<sup>th</sup> May, 2022

Place: Gurgaon

For and on behalf of Board of Directors of  
**Kamdhenu Limited**

#### (Satish Kumar Agarwal)

Chairman & Managing Director

DIN: 00005981

#### (Harish Kumar Agarwal)

Chief Financial Officer

#### (Sunil Kumar Agarwal)

Whole Time Director

DIN: 00005973

#### (Khem Chand)

Company Secretary

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

### FOR THE YEAR ENDED 31ST MARCH, 2022

#### A. EQUITY SHARE CAPITAL

(₹ in Lakhs)

Balance as at 1 <sup>st</sup> April, 2021	Change in equity share capital due to prior period errors	Restated balance as at 1 <sup>st</sup> April, 2021	Change in equity share capital during the FY 2021-22	Balance as at 31 <sup>st</sup> March, 2022
2,693.55	-	2,693.55	-	2,693.55

(₹ in Lakhs)

Balance as at 1 <sup>st</sup> April, 2020	Change in equity share capital due to prior period errors	Restated balance as at 1 <sup>st</sup> April, 2020	Change in equity share capital during the year 2020-21	Balance as at 31 <sup>st</sup> March, 2021
2,654.33	-	2,654.33	39.23	2,693.55

#### B. OTHER EQUITY

(₹ in Lakhs)

Particulars	Reserve and Surplus				Other Comprehensive Income		Total
	Capital Reserve	Securities Premium	Share Based Payment Reserve	Retained Earnings	Fair Value of Investments	Actuarial (Losses)/ Gain on defined benefit plans	
Balance as at 1 <sup>st</sup> April, 2020	181.29	5,144.06	132.50	9,962.47	10.36	(16.17)	15,414.50
Addition during the year	-	132.50	-	-	-	-	132.50
Profit / (Loss) for the year	-	-	-	1,507.62	(19.58)	13.83	1,501.87
Employee stock option outstanding	-	-	(132.50)	-	-	-	(132.50)
Dividend	-	-	-	134.68	-	-	134.68
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>181.29</b>	<b>5,276.56</b>	<b>-</b>	<b>11,335.41</b>	<b>(9.22)</b>	<b>(2.34)</b>	<b>16,781.69</b>
Balance as at 1 <sup>st</sup> April, 2021	181.29	5,276.56	-	11,335.41	(9.22)	(2.34)	16,781.69
Addition during the year	-	-	-	-	-	-	-
Profit / (Loss) for the year	-	-	-	2,631.20	(29.75)	(50.82)	2,550.63
Dividend	-	-	-	215.48	-	-	215.48
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>181.29</b>	<b>5,276.56</b>	<b>-</b>	<b>13,751.13</b>	<b>(38.97)</b>	<b>(53.16)</b>	<b>19,116.85</b>

As per our report of even date attached

#### For B S D & CO.

Chartered Accountants  
Firm Registration No. 000312S

#### (Surendra Khinvasra)

Partner  
Membership No.070804  
Date : 30<sup>th</sup> May, 2022  
Place: Gurgaon

For and on behalf of Board of Directors of  
**Kamdhenu Limited**

#### (Satish Kumar Agarwal)

Chairman & Managing Director  
DIN: 00005981

#### (Harish Kumar Agarwal)

Chief Financial Officer

#### (Sunil Kumar Agarwal)

Whole Time Director  
DIN: 00005973

#### (Khem Chand)

Company Secretary



## NOTES

### FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

#### CORPORATE INFORMATION

Kamdhenu Limited ("The Group") is public limited company incorporated and domiciled in India under Companies Act, 1956 ("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 Group is engaged in manufacturing, marketing, branding and distribution of TMT Bars, structural steel, paints and allied products under brand name KAMDHENU. The Group is also integrated with independent producer efficacious Franchisee Business Association Model and streamlined the unorganized steel sector into organized sector. The consolidated financial statements for the year ended 31st March, 2022 was approved and authorized by Board of Directors in their meeting held on 30th May, 2022.

#### 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.

##### 1.2 Principles of Consolidation

The Consolidated financial statements relates to Kamdhenu 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. 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.

- a) Companies considered in the consolidated financial statements are:-

Name of the Company	Country of Incorporation	Holding as on 31st March, 2022	Period of Consolidation	Financial Year ends on
Kamdhenu Ventures Limited (Consolidated)	India	100%	01st April, 2021 to 31st March, 2022	31st March, 2022

## NOTES (Contd.)

### FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

The Company has invested a sum of ₹ 1 Lakh in Kamdhenu Jeevandhara Foundation, Section 8 company incorporated under the Provisions of Companies Act, 2013 wherein, the Company cannot claim the amount so invested and contributed by way of investment which is an irrevocable legal obligation for public charitable purposes. Accordingly the financial statements of Kamdhenu Jeevandhara Foundation for the year ended 31st March, 2022 have not been consolidated in the financial statements of the Company.

#### 1.3 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's functional currency and presentation currency is Indian National Rupees (INR). 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 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.

#### 1.4 Use of judgments, estimates and assumptions

The preparation of the Group's consolidated 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 1.5. 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) Estimation of uncertainty related to Global Health Pandemic from COVID-19: The Group has considered the possible effects that may results from pandemic relating to COVID-19 on the carrying amount of financial assets including Trade receivable. In developing the assumptions relating to the possible future uncertainties in global economic conditions because of the



## NOTES (Contd.)

### FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

pandemic, the group as at the date of approval of these financial statement has used internal and external source of information, on the expected future performance of the group and based on estimates the group expects that the carrying amount of financial assets will be recovered and the group do not expect any significant impact of COVID-19 on the group's financial statements as at the date of approval of these Consolidated Financial Statements.

- c) 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 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.

- d) 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.
- e) 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.

- f) 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.
- g) 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.
- h) 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.

#### 1.5 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.

On transition to Ind AS, the fair value as on 1st April, 2016 in respect of class of asset comprising land & building and plant & machinery has been taken as carrying cost and subsequently the Company follows cost model. When significant parts of the property, plant and equipment are required to be replaced at intervals, the Company derecognizes the replaced part



## **NOTES** (Contd.)

### **FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022**

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 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 rolling mill and tinting machine, where useful life based on management estimate has been taken twenty years and ten years respectively. 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.

In line with the provisions of Schedule II of the Companies Act, 2013, the Company depreciates significant components of the main asset (which have different useful lives as compared to the main asset) based on the individual useful life of those components. Useful life for such components has been assessed based on the historical experience and internal technical inputs.

#### **1.6 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.

Goodwill on consolidation represents the cost of business acquisition in excess of the Group's interest in the net fair value of identifiable assets, liabilities & Contingent liabilities of the acquiree. When the net fair value of identifiable assets, liabilities & Contingent liabilities acquired exceeds the cost of business acquisition, the bargain purchase excess is recognized after reassessing the fair value of net assets acquired in the capital reserve. Goodwill is measured at cost less accumulated impairment losses.

Goodwill is tested for impairment on an annual basis and whenever there is an indication that goodwill may be impaired, relying, on number of factors including operating results, business plans and future cash flows. For the purpose of impairment testing, goodwill acquired in business combination is allocated to the Group's cash generating units (CGU) or groups of CGU's



## NOTES (Contd.)

### FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

expected to benefit from the synergies arising from the business combination. A CGU is smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from the other assets or group of assets. Impairment occurs when the carrying amount of a CGU including the goodwill, exceeds the estimated recoverable amount of the CGU. The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. Value-in-use is the present value of the future cash flows expected to be derived from the CGU.

Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to other assets of the CGU pro-rata on the basis of carrying amount of each asset in the CGU. An impairment loss on goodwill is recognized in net profit in the consolidated Statement of Profit and Loss and is not reversed in the subsequent period.

#### 1.7 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.

#### 1.8 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.

##### 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 changes 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.

#### 1.9 Inventories

Inventories are valued as under:

Raw materials, packing materials, stores and spares are valued at lower of cost (on a weighted average basis) and net realizable value.

Stock in process is valued at lower of cost (on a weighted average basis) and net realizable value.

Finished goods (including in transit) are valued at cost (on a weighted average basis) or net realizable value whichever is lower. Cost for this purpose includes direct materials, direct labour, utilities, other variable direct cost and manufacturing overheads, based on the normal operating capacity and depreciation.

#### 1.10 Cash and cash Equivalents

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term

## NOTES (Contd.)

### FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

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.

#### 1.11 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.

#### 1.12 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.

(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.



## NOTES (Contd.)

### FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

#### 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 Group 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 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. 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.

#### 1.13 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

## NOTES (Contd.)

### FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

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.

#### 1.14 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.

#### 1.15 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 finance cost.

Contingent liabilities are disclosed in the case of:

- 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;
- a present obligation arising from the past events, when no reliable estimate is possible; and
- 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.

#### 1.16 Share Based Payment

- Equity-Settled Share Based Payments to Employee (primarily Employee Stock Option Scheme) and others providing similar services are measured at the Fair Value of the Equity Instrument at the grant date.
- The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of revision of the original estimates, if any, is recognized in Statement of Profit And Loss such that the cumulative expense reflect the revised estimate, with a corresponding adjustment to Share Based Payment reserve.
- The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

#### 1.17 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.



## NOTES (Contd.)

### FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

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.

#### 1.18 Revenue Recognition

##### Revenue from Sale of Goods and services

The Group derives its revenue from sale of manufactured goods & traded goods primarily from steel segment and paint segment and also from Royalty services in respect of franchisee arrangement. 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.

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.

#### 1.19 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 Group provides current tax based on the provisions of the Income Tax Act, 1961 applicable to the Company.

##### 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

## **NOTES** (Contd.)

### **FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022**

to be utilized. Unrecognized deferred tax assets are re-assessed 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.

#### **1.20 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

#### **1.21 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 and Paint.

#### **1.22 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 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 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 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.

#### **1.23 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, 2022****NOTE NO. 1****(I) PROPERTY, PLANT AND EQUIPMENT**

(₹ in Lakhs)

Particulars	Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total
Gross Carrying Value as on 1 <sup>st</sup> April, 2020	1,908.40	1,313.48	6,121.34	163.48	664.26	196.62	10,367.58
Additions during the year	-	384.70	851.35	9.22	52.87	29.40	1,327.54
Deductions/Adjustments	-	-	-	-	22.86	0.63	23.49
Gross Carrying Value as on 31 <sup>st</sup> March, 2021	1,908.40	1,698.18	6,972.69	172.70	694.27	225.39	11,671.63
Accumulated Depreciation as on 1 <sup>st</sup> April, 2020	-	144.76	1,747.52	113.17	317.25	104.86	2,427.56
Depreciation for the year	-	52.34	517.02	5.73	76.32	39.00	690.41
Deductions/Adjustments	-	-	-	-	21.72	0.57	22.29
Accumulated Depreciation as on 31 <sup>st</sup> March, 2021	-	197.10	2,264.54	118.91	371.85	143.29	3,095.69
<b>Carrying Value as on 31<sup>st</sup> March, 2021</b>	<b>1,908.40</b>	<b>1,501.08</b>	<b>4,708.15</b>	<b>53.79</b>	<b>322.42</b>	<b>82.10</b>	<b>8,575.94</b>
Gross Carrying Value as on 1 <sup>st</sup> April, 2021	1,908.40	1,698.19	6,972.69	172.70	694.27	225.39	11,671.64
Additions during the year	-	145.51	626.91	11.14	197.79	36.43	1,017.78
Deductions/Adjustments	-	-	-	-	12.51	17.25	29.76
Gross Carrying Value as on 31 <sup>st</sup> March, 2022	1,908.40	1,843.69	7,599.60	183.84	879.55	244.57	12,659.65
Accumulated Depreciation as on 1 <sup>st</sup> April, 2021	-	197.10	2,264.54	118.91	371.85	143.29	3,095.69
Depreciation for the year	-	66.16	549.98	6.42	89.32	30.90	742.78
Deductions/Adjustments	-	-	-	-	11.89	16.39	28.28
Accumulated Depreciation as on 31 <sup>st</sup> March, 2022	-	263.26	2,814.53	125.33	449.28	157.81	3,810.21
<b>Carrying Value as on 31<sup>st</sup> March, 2022</b>	<b>1,908.40</b>	<b>1,580.43</b>	<b>4,785.07</b>	<b>58.51</b>	<b>430.27</b>	<b>86.76</b>	<b>8,849.44</b>

**(II) RIGHT OF USE ASSETS**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Building</b>		
Opening Balance	500.33	676.21
Addition during the year	145.40	-
Depreciation for the year	(183.30)	(175.88)
Closing Balance of Right of use asset	462.43	500.33



## NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2022

### (III) CAPITAL-WORK-IN PROGRESS (CWIP)

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Gross Carrying Value at beginning of the year	75.52	112.32
Additions during the year	532.35	874.55
Transfer to property plant & equipment	(508.39)	(911.35)
Gross Carrying Value at the end of the year	99.48	75.52

#### Ageing for Capital work-in-progress as at 31st March, 2022 is as follows

(₹ in Lakhs)

Capital work in progress	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Years
Projects in progress	72.52	26.96	-	-

#### Ageing for Capital work-in-progress as at 31st March, 2021 is as follows

(₹ in Lakhs)

Capital work in progress	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Years
Projects in progress	75.52	-	-	-

### NOTE NO. 2

#### INVESTMENTS - NON CURRENT

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Investment in Subsidiary Companies (Valued at Cost unless stated otherwise)</b>		
<b>Unquoted Equity instrument-Fully Paid</b>		
30,400 (31st March, 2021: 30,400) equity share of M/s Kamdhenu Ventures Limited	-	-
10,000 (31st March, 2021: 10,000) equity shares of M/s Kamdhenu Jeevandhara Foundation	1.00	1.00
	<b>1.00</b>	<b>1.00</b>
<b>Other Investment (Measured at Fair Value through Other Comprehensive Income)</b>		
15,42,605 (31st March, 2021: 15,42,605) equity shares of M/s Shree Bankey Bihari Ispat Private Limited	-	-
2,68,220 (31st March, 2021: 2,68,220) equity shares of M/s Stelex Coating Limited	23.90	24.11
24,50,000 (31st March, 2021: 24,50,000) equity shares of M/s Orange Spa Hotels & Resorts Private Limited	174.19	211.09
	<b>198.09</b>	<b>235.20</b>
<b>Total</b>	<b>199.09</b>	<b>236.20</b>

**NOTES** (Contd.)**FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2022****NOTE: 2.1**

Aggregate book value of unquoted Investments	343.18	343.18
Aggregate carrying amount of unquoted investments valued at cost	1.00	1.00
Aggregate fair value of unquoted investments measured at fair value through Other Comprehensive Income.	198.09	235.20
Aggregate amount of impairment in value of investments.	144.08	106.97

**NOTE: 2.2**

The Fair value of investment is based on the valuation by registered valuer as defined under Rule 2 of Companies (Registered valuer and valuation) Rules 2017.

**NOTE NO. 3****LOANS - NON CURRENT**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Unsecured, considered good, unless stated otherwise:</b>		
Loans and Advances to employees	18.08	8.60
<b>Total</b>	<b>18.08</b>	<b>8.60</b>

**NOTE NO. 4****OTHER FINANCIAL ASSETS - NON CURRENT**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Security deposits	311.48	295.27
Fixed Deposits with bank having maturity period more than 12 months - Held as margin money or security against borrowings and other commitments	1.24	1.16
Interest accrued on Fixed Deposits	0.25	0.16
<b>Total</b>	<b>312.97</b>	<b>296.59</b>

**NOTE NO. 5****OTHER NON CURRENT ASSETS**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Capital advance	59.49	5.50
Prepaid expenses	22.86	24.31
Tax Refundable	959.92	977.15
Direct and Indirect taxes deposited for pending appeal / under protest	201.00	8.00
Duties and taxes refundable	27.20	98.27
<b>Total</b>	<b>1,270.47</b>	<b>1,113.23</b>

## NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2022

### NOTE NO. 6

#### INVENTORIES

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Raw Materials & Packing Materials	1,583.70	1,375.79
Stock-in-Process	31.34	20.24
Finished Goods	5,356.40	4,319.58
Stock-in-Trade	299.75	628.29
Stores, Spares & Fuel	401.14	348.75
Waste, Scraps, Runner Risers & Mill Scale	70.94	36.02
<b>Total</b>	<b>7,743.27</b>	<b>6,728.67</b>

### NOTE NO. 6.1

a) The Company do not have any inventory which is expected to be sold in more than 12 months.

### NOTE NO. 7

#### INVESTMENT - CURRENT (Measured at Fair Value through Statement of Profit & Loss)

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Investment in Portfolio Management Services through IIFL Asset Management Limited	967.90	617.23
<b>Total</b>	<b>967.90</b>	<b>617.23</b>

The above investment have been made with IIFL Asset Management Limited held for sale and is intended to be held for short term, accordingly classified as current Investment

### NOTE: 7.1

Aggregate Cost of portfolio forming part of Portfolio Management Services	718.36	473.61
Aggregate Market value of portfolio forming part of Portfolio Management Services	967.90	617.23

### NOTE NO. 8

#### TRADE RECEIVABLES - CURRENT

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Trade Receivable - Unsecured		
Considered good	19,001.72	19,022.10
Considered doubtful	1,258.35	869.39
	20,260.07	19,891.49
Less: Allowance for doubtful debts	1,258.35	869.39
	19,001.72	19,022.10
Trade Receivable -Unsecured Unbilled	817.23	953.68
<b>Total</b>	<b>19,818.95</b>	<b>19,975.78</b>

**NOTES** (Contd.)**FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2022****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 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 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Trade Receivables	20,260.07	19,891.49
Trade Receivables not considered for ECL Matrix	16,128.35	14,540.54
Trade Receivables considered for ECL Matrix	4,131.72	5,350.94
Movement in allowance for doubtful debts		
Balance at the beginning of the year	869.39	616.07
Addition during the year	388.97	253.32
Balance at the end of the year	1,258.35	869.39

- 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 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 and is of the view that allowance for Expected credit loss created is sufficient and no further provisioning on this account is necessitated.

**e) Ageing of Trade Receivable as at 31<sup>st</sup> March, 2022**

(₹ in Lakhs)

Particulars	Outstanding for following periods as at 31 <sup>st</sup> March, 2022 from the date of transaction					Total
	Less than 6 Months	6 Months- 1 Year	1-2 Years	2-3 Years	More than 3 Years	
<b>(i) Trade Receivable-Billed</b>						
Undisputed Trade Receivable- Considered Good	15,086.57	1,041.78	1,116.60	586.87	899.39	18,731.21
Undisputed Trade Receivable- which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivable- credit impaired	-	-	102.36	137.51	564.58	804.45
Disputed Trade Receivable- Considered Good	2.67	11.76	11.51	29.70	214.86	270.50
Disputed Trade Receivable- which have significant increase in credit risk	-	-	-	-	-	-

## NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2022

(₹ in Lakhs)

Particulars	Outstanding for following periods as at 31 <sup>st</sup> March, 2022 from the date of transaction					Total
	Less than 6 Months	6 Months- 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Disputed Trade Receivable- credit impaired	4.01	25.58	20.19	51.28	352.85	453.91
<b>Total</b>	<b>15,093.25</b>	<b>1,079.12</b>	<b>1,250.66</b>	<b>805.36</b>	<b>2,031.68</b>	<b>20,260.07</b>
Less: Allowance for doubtful debts- Billed						1,258.35
						<b>19,001.72</b>
(ii) Trade Receivable- Unbilled						817.23
<b>Total Trade Receivable (i)+(ii)</b>						<b>19,818.95</b>

### Ageing of Trade Receivable as at 31<sup>st</sup> March, 2021

(₹ in Lakhs)

Particulars	Outstanding for following periods as at 31 <sup>st</sup> March, 2021 from the date of transaction					Total
	Less than 6 Months	6 Months- 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) <b>Trade Receivable-Billed</b>						
Undisputed Trade Receivable- Considered Good	13,230.12	1,081.11	2,383.76	1,481.51	309.26	18,485.76
Undisputed Trade Receivable- which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivable- credit impaired	-	-	185.53	261.44	252.04	699.01
Disputed Trade Receivable- Considered Good	9.02	0.89	74.85	130.90	320.68	536.34
Disputed Trade Receivable- which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivable- credit impaired	-	-	19.50	23.10	127.78	170.38
<b>Total</b>	<b>13,239.14</b>	<b>1,082.00</b>	<b>2,663.64</b>	<b>1,896.95</b>	<b>1,009.76</b>	<b>19,891.49</b>
Less: Allowance for doubtful debts- Billed						869.39
						<b>19,022.10</b>
(ii) Trade Receivable-Unbilled						953.68
<b>Total Trade Receivable (i)+(ii)</b>						<b>19,975.78</b>

**NOTES** (Contd.)**FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2022****NOTE NO. 9****CASH AND CASH EQUIVALENTS - CURRENT**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Balances with Banks	184.08	211.78
Cash on hand	17.49	20.37
Deposits with maturity for less than 3 month	1,000.00	5.81
<b>Total</b>	<b>1,201.57</b>	<b>237.96</b>

**NOTE NO. 10****OTHER BALANCES WITH BANKS - CURRENT**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Balance with bank in unpaid dividend accounts	17.75	15.87
Deposits with maturity for more than 3 month but less than 12 month - Held as margin money or security against borrowings and other commitments	184.51	156.32
<b>Total</b>	<b>202.26</b>	<b>172.19</b>

There are no amount due and outstanding to be transferred to Investor Education and Protection Fund as at 31<sup>st</sup> March, 2022.

**NOTE NO. 11****LOANS - CURRENT**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Unsecured, considered good, unless stated otherwise:</b>		
Loans and Advances to employees	37.48	42.67
<b>Total</b>	<b>37.48</b>	<b>42.67</b>

**NOTE NO. 12****OTHER FINANCIAL ASSETS - CURRENT**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Interest accrued on Fixed Deposit	2.31	1.62
<b>Unsecured, considered good, unless stated otherwise:</b>		
<b>Advances recoverable</b>		
Considered good	22.32	21.91
Considered doubtful	21.91	21.91
	<b>44.23</b>	<b>43.82</b>
Less: Allowance for doubtful advance	21.91	21.91
	<b>22.32</b>	<b>21.91</b>
Insurance Claims and other receivables	425.61	2,562.15
<b>Total</b>	<b>450.24</b>	<b>2,585.68</b>

## NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2022

The Reconciliation and movement in allowance for doubtful advances are as under:-

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Balance at the beginning of the year	21.91	-
Addition during the year	-	21.91
Balance at the end of the year	21.91	21.91

### NOTE NO. 13

OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Unsecured, considered good, unless stated otherwise:</b>		
Advances recoverable in Cash or in Kind for value to be received		
Considered good	2,481.57	1,585.40
Considered doubtful	10.00	10.00
	<b>2,491.57</b>	<b>1,595.40</b>
Less: Allowance for doubtful Advances	10.00	10.00
	<b>2,481.57</b>	<b>1,585.40</b>
Balances with statutory authorities	52.26	273.13
Duties and taxes refundable	-	1.13
Prepaid expenses	71.20	85.99
<b>Total</b>	<b>2,605.03</b>	<b>1,945.65</b>

The Reconciliation and movement in allowance for doubtful advances are as under:-

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Balance at the beginning of the year	10.00	10.00
Addition during the year	-	-
Balance at the end of the year	10.00	10.00

### NOTE NO. 14

EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Authorized Share Capital:</b>		
3,00,00,000 (Previous year 3,00,00,000) Equity Shares of ₹ 10 each	3,000.00	3,000.00
1,15,00,000 (Previous year Nil) Preference Shares of ₹ 10 each	1,150.00	-
<b>Issued, Subscribed and Paid up:</b>		
2,69,35,500 (Previous year 2,69,35,500) Equity Shares of ₹10 each	2,693.55	2,693.55
<b>Total</b>	<b>2,693.55</b>	<b>2,693.55</b>

**NOTES** (Contd.)**FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2022****(a) Reconciliation of the shares outstanding at the beginning and at the end of the year**

Particulars	As at	
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
At the beginning of the year	2,69,35,500	2,65,43,250
Add: Issued during the year	-	3,92,250
Less: Bought back during the year	-	-
<b>At the end of the year</b>	<b>2,69,35,500</b>	<b>2,69,35,500</b>

**(b) Details of Shareholders holding more than 5 % Shares in the Company**

Name of the Shareholder	As at		As at	
	31 <sup>st</sup> March, 2022		31 <sup>st</sup> March, 2021	
	No. of Shares	% held	No. of Shares	% held
Sunil Kumar Agarwal	15,45,292	5.74%	15,45,292	5.74%
Sarita Agarwal	16,16,950	6.00%	16,16,950	6.00%
Kamdhenu Overseas Limited	30,50,000	11.32%	30,50,000	11.32%
Kamdhenu Paint Industries Limited	15,21,801	5.65%	15,21,801	5.65%
Kamdhenu Concast Limited	14,28,510	5.30%	14,28,510	5.30%

**(c) Term/ rights attached to equity shares**

The Company has only one class of equity shares having a par value of ₹ 10/- Per Share. 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.

The Company has not allotted any fully paid up shares pursuant to contract(s) without payment being received in cash. The Company has neither allotted any fully paid up shares by way of bonus shares nor has bought back any class of shares during the period of five years immediately preceding the balance sheet date.

**(d) Dividend**

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 except in case of interim dividend. The remittance of dividends outside India is governed by Indian law on foreign exchange.

The amount of per share dividend recognized as distributions to equity shareholders during 2021-22 pertaining to FY 2020-21 amounted to ₹ 215.48 Lakhs have been shown as deduction from retained earning.

The Board of directors of the Company in their meeting held on 30<sup>th</sup> May, 2022 have proposed dividend of ₹ 1/- per share for the financial year ended 31<sup>st</sup> March, 2022 for the approval of shareholders.

**(e) Disclosure of Shareholding of Promoters**

Promoters Name	As at		As at		% Change during the year
	31 <sup>st</sup> March, 2022		31 <sup>st</sup> March, 2021		
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Kamdhenu Overseas Limited	30,50,000	11.32%	30,50,000	11.32%	-
Sarita Agarwal	16,16,950	6.00%	16,16,950	6.00%	-

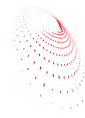


## NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2022

Promoters Name	As at 31 <sup>st</sup> March, 2022		As at 31 <sup>st</sup> March, 2021		% Change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Sunil Kumar Agarwal	15,45,292	5.74%	15,45,292	5.74%	-
Kamdhenu Paint Industries Limited	15,21,801	5.65%	15,21,801	5.65%	-
Kamdhenu Concast Limited	14,28,510	5.30%	14,28,510	5.30%	-
Satish Kumar Agarwal	12,81,842	4.76%	12,81,842	4.76%	-
Sachin Agarwal	9,23,719	3.43%	9,23,719	3.43%	-
Saurabh Agarwal	8,26,500	3.07%	8,26,500	3.07%	-
Shafali Agrawal	7,63,842	2.84%	7,63,842	2.84%	-
Kamdhenu Infradevelopers Limited	6,14,900	2.28%	6,14,900	2.28%	-
Kamdhenu Nutrients Pvt. Ltd.	6,00,000	2.23%	6,00,000	2.23%	-
Kay2 Steel Limited	5,88,934	2.19%	5,88,934	2.19%	-
Radha Agarwal	5,41,877	2.01%	5,41,877	2.01%	-
Satish Kumar Agarwal (HUF)	3,65,900	1.36%	3,65,900	1.36%	-
Shatul Agarwal	3,37,700	1.25%	3,37,700	1.25%	-
Sunil Kumar (HUF)	3,00,280	1.11%	3,00,280	1.11%	-
Priyanka Agarwal	2,56,629	0.95%	2,56,629	0.95%	-
Shivani Agarwal	2,55,235	0.95%	2,55,235	0.95%	-
Ishita Agarwal	2,10,716	0.78%	2,10,716	0.78%	-
Somya Agarwal	1,44,660	0.54%	1,44,660	0.54%	-
Ayush Agarwal	90,600	0.34%	90,600	0.34%	-
Ayush Agarwal (HUF)	50,000	0.19%	50,000	0.19%	-
<b>Total</b>	<b>1,73,15,887</b>	<b>64.29%</b>	<b>1,73,15,887</b>	<b>64.29%</b>	<b>-</b>

Promoters Name	As at 31 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> March, 2020		% Change during the year *
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Kamdhenu Overseas Limited	30,50,000	11.32%	30,50,000	11.49%	-0.17%
Sarita Agarwal	16,16,950	6.00%	16,16,950	6.09%	-0.09%
Sunil Kumar Agarwal	15,45,292	5.74%	15,45,292	5.82%	-0.08%
Kamdhenu Paint Industries Limited	15,21,801	5.65%	15,21,801	5.73%	-0.08%
Kamdhenu Concast Limited	14,28,510	5.30%	14,28,510	5.38%	-0.08%
Satish Kumar Agarwal	12,81,842	4.76%	12,81,842	4.83%	-0.07%
Sachin Agarwal	9,23,719	3.43%	9,23,719	3.48%	-0.05%
Saurabh Agarwal	8,26,500	3.07%	8,26,500	3.11%	-0.05%
Shafali Agrawal	7,63,842	2.84%	7,63,842	2.88%	-0.04%
Kamdhenu Infradevelopers Limited	6,14,900	2.28%	6,14,900	2.32%	-0.03%
Kamdhenu Nutrients Pvt. Ltd.	6,00,000	2.23%	6,00,000	2.26%	-0.03%
Kay2 Steel Limited	5,88,934	2.19%	5,88,934	2.22%	-0.03%

**NOTES** (Contd.)**FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2022**

Promoters Name	As at 31 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> March, 2020		% Change during the year *
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Radha Agarwal	5,41,877	2.01%	5,41,877	2.04%	-0.03%
Satish Kumar Agarwal (HUF)	3,65,900	1.36%	3,65,900	1.38%	-0.02%
Shatul Agarwal	3,37,700	1.25%	3,37,700	1.27%	-0.02%
Sunil Kumar (HUF)	3,00,280	1.11%	3,00,280	1.13%	-0.02%
Priyanka Agarwal	2,56,629	0.95%	2,56,629	0.97%	-0.01%
Shivani Agarwal	2,55,235	0.95%	2,55,235	0.96%	-0.01%
Ishita Agarwal	2,10,716	0.78%	2,10,716	0.79%	-0.01%
Somya Agarwal	1,44,660	0.54%	1,44,660	0.54%	-0.01%
Ayush Agarwal	90,600	0.34%	90,600	0.34%	0.00%
Ayush Agarwal (HUF)	50,000	0.19%	50,000	0.19%	0.00%
<b>Total</b>	<b>1,73,15,887</b>	<b>64.29%</b>	<b>1,73,15,887</b>	<b>65.24%</b>	<b>-0.95%</b>

\* % Change during the year ended 31<sup>st</sup> March, 2021 was due to 3,92,250 no. of equity share issued under Kamdhenu ESOS 2017.

**NOTE NO. 15****OTHER EQUITY**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>a. Capital Reserves</b>		
As per last Balance Sheet	181.29	181.29
Add: Addition during the year	-	-
Less: Deduction during the year	-	-
	<b>181.29</b>	<b>181.29</b>
<b>b. Securities Premium</b>		
As per last Balance Sheet	5,276.56	5,144.05
Add: Addition during the year/ Transfer from Share based payment Reserve	-	132.50
Less: Deduction during the year	-	-
	<b>5,276.56</b>	<b>5,276.56</b>
<b>c. Share Based Payment Reserve</b>		
As per last Balance Sheet	-	132.50
Add: Addition during the year	-	-
Less: Deduction during the year	-	132.50
	<b>-</b>	<b>-</b>
<b>d. Other Comprehensive Income</b>		
As per last Balance Sheet	(11.56)	(5.81)
Add: Addition during the year	-	-
Fair Value of Investments	(29.75)	(19.58)
Remeasurement (Losses)/ Gain on defined benefit Plan	(50.82)	13.83
Less: Deduction during the year	-	-
	<b>(92.13)</b>	<b>(11.56)</b>

## NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2022

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>e. Retained Earnings</b>		
As per last Balance Sheet	11,335.41	9,962.47
Add: Profit for the year	2,631.20	1,507.62
Less: Appropriations:		
Dividend on Equity Shares	215.48	134.68
	<b>13,751.13</b>	<b>11,335.41</b>
<b>Total</b>	<b>19,116.85</b>	<b>16,781.69</b>

### NOTE NO. 16

#### BORROWINGS - NON CURRENT

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Secured, Term Loans from Banks:		
State Bank of India	1,569.57	466.67
Indian Bank	186.69	348.98
Vehicles Loans from Banks	115.32	85.05
	<b>1,871.58</b>	<b>900.70</b>
Less: Current maturities of long term debts (Refer note no. 22)	604.20	664.70
<b>Total</b>	<b>1,267.38</b>	<b>236.00</b>

a) Terms of Repayment of Terms Loans are as under:-

(₹ in Lakhs)

Particulars	Rate of interest p.a	Amount outstanding as at 31 <sup>st</sup> March, 2022	Repayment Schedule		
			2022-23	2023-24	2024-27
State Bank of India	7.95%	1,569.57	408.73	398.00	762.83
Indian Bank	7.35%	186.69	161.15	25.54	-
Vehicle Loans	7.90%-9.50%	115.32	34.31	30.91	50.10
<b>Total</b>		<b>1,871.58</b>	<b>604.20</b>	<b>454.45</b>	<b>812.93</b>

(i) **CCECL (Term Loan) from State Bank of India and Indian Bank are secured by way of Primary :**

- a) Extension of First pari passu charge by way of hypothecation charge on entire current assets (present and future) of the Company.

#### Collateral :

- a. Extension of First pari passu 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 First pari passu charge by way of equitable mortgage over factory land & building of the Company situated at A-1112 & A-1114, RIICO Industrial Area, Phase III, Bhiwadi Rajasthan and at E-538 & E-539A, RIICO Industrial Area, Chopanki, Rajasthan.

#### Guarantee :

- a. Personal Guarantee of whole time directors.

(ii) **Vehicle loans from Banks are secured by hypothecation of respective vehicle.**

**NOTES** (Contd.)**FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2022****NOTE NO. 17****LEASED LIABILITIES - NON CURRENT**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Non-Current lease liabilities	467.43	505.86
<b>Total</b>	<b>467.43</b>	<b>505.86</b>

**NOTE NO. 18****OTHER FINANCIAL LIABILITIES - NON CURRENT**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Security Deposits	939.35	722.17
Deferred Interest Accrued on Security Deposit	17.08	21.35
<b>Total</b>	<b>956.43</b>	<b>743.52</b>

**NOTE NO. 19****PROVISIONS - NON CURRENT**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Provisions for Employee Benefits:		
Provisions for Gratuity	466.67	347.91
Provisions for Leave Encashment	97.21	68.25
<b>Total</b>	<b>563.88</b>	<b>416.16</b>

**NOTE NO. 20****DEFERRED TAX LIABILITIES (NET)**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Deferred tax liability:</b>		
on Property, Plant and Equipment	944.21	973.12
on Unrealized Gain of Investment in PMS	43.60	49.39
<b>Deferred tax assets:</b>		
on Right of use Assets	44.07	39.73
on Fair value of Investments	96.95	89.59
on Unrealized Loss of Investment in PMS	-	-
on Employee Benefits	164.45	121.45
on Provision for Expected Credit Loss	324.73	226.84
on Other Items (Net)	4.18	2.82
<b>Net Deferred Tax Liability</b>	<b>353.43</b>	<b>542.08</b>

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 CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2022

#### (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:

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022					
	Net Balance (1st April, 2021)	Recognized in profit or (Loss)	Recognized in OCI	Net Deferred Tax	Deferred Tax Liability	Deferred Tax Assets
Property, plant and equipment	973.12	(28.91)	-	944.21	944.21	-
Unrealized Gain of Investment in PMS	49.39	(5.79)	-	43.60	43.60	-
Right of use Assets	(39.73)	(4.34)	-	(44.07)	-	(44.07)
Employee Benefits - P&L	(116.02)	(25.91)	-	(141.93)	-	(141.93)
Employee Benefits - OCI	(5.43)	-	(17.09)	(22.52)	-	(22.52)
Investments-OCI	(89.59)	-	(7.36)	(96.95)	-	(96.95)
Provision for Expected Credit Loss	(226.84)	(97.89)	-	(324.73)	-	(324.73)
Other Items (Net)	(2.82)	(1.36)	-	(4.18)	-	(4.18)
<b>Deferred Tax (Assets) / Liabilities</b>	<b>542.08</b>	<b>(164.20)</b>	<b>(24.45)</b>	<b>353.43</b>	<b>987.81</b>	<b>(634.38)</b>

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021					
	Net Balance (1st April, 2020)	Recognized in profit or (Loss)	Recognized in OCI	Net Deferred Tax	Deferred Tax Liability	Deferred Tax Assets
Property, plant and equipment	975.53	(2.41)	-	973.12	973.12	-
Unrealized Gain of Investment in PMS	(25.63)	75.02	-	49.39	49.39	-
Right of use Assets	(37.08)	(2.65)	-	(39.73)	-	(39.73)
Employee Benefits - P&L	(104.93)	(11.09)	-	(116.02)	-	(116.02)
Employee Benefits - OCI	(10.08)	-	4.65	(5.43)	-	(5.43)
Investments - OCI	(76.77)	-	(12.82)	(89.59)	-	(89.59)
Provision for Expected Credit Loss	(157.57)	(69.27)	-	(226.84)	-	(226.84)
Other Items (Net)	(2.63)	(0.19)	-	(2.82)	-	(2.82)
<b>Deferred Tax (Assets) / Liabilities</b>	<b>560.84</b>	<b>(10.59)</b>	<b>(8.17)</b>	<b>542.08</b>	<b>1,022.51</b>	<b>(480.43)</b>

#### NOTE NO. 21

#### A) TAX EXPENSES

The total tax expenses charged in Statement of Profit and Loss as under

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Current Tax	1,033.42	595.47
Deferred Tax	(164.20)	(10.59)
Income Tax of earlier years	3.57	1.96
<b>Total</b>	<b>872.79</b>	<b>586.84</b>

**NOTES** (Contd.)**FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2022****B) RECONCILIATION OF EFFECTIVE TAX RATE WITH TAX EXPENSE IN STATEMENT OF PROFIT AND LOSS**

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Profit/(loss) before Tax	3,503.99	2,094.46
Applicable tax rate	25.17%	25.17%
Tax at the Indian tax rate of 25.168%	881.89	527.12
Tax adjustment of subsidiary company	0.17	0.38
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:	424.79	351.56
Tax effect of amounts which are deductible (non-taxable) in calculating taxable income:	(274.97)	(283.59)
Tax effect of amounts which are chargeable at special rate:	1.54	-
<b>Current tax (Normal Rate) (A)</b>	<b>1,033.42</b>	<b>595.47</b>
Incremental Deferred tax Liability on timing Differences (Net)	(164.20)	(10.59)
<b>Deferred Tax (B)</b>	<b>(164.20)</b>	<b>(10.59)</b>
<b>Tax Expenses for earlier year (net) (C)</b>	<b>3.57</b>	<b>1.96</b>
<b>Tax expenses recognized in the statement of profit and loss (A+B+C)</b>	<b>872.79</b>	<b>586.84</b>
<b>Effective Tax rate</b>	<b>24.91%</b>	<b>28.02%</b>

**NOTE NO. 22****BORROWINGS - CURRENT**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Secured - Working Capital Loan from Bank:		
State Bank of India	5,434.71	6,383.26
Indian Bank	1,420.93	2,080.95
Current maturities of long term debts (Refer note no.16)	604.20	664.70
Unsecured Intercompany Loan (Repayable on Demand)	5.00	2.00
<b>Total</b>	<b>7,464.84</b>	<b>9,130.91</b>

**22.1 Working Capital Loan from State Bank of India and Indian Bank are secured by way of Primary :**

- a. First pari passu charge by way of hypothecation charge on entire current assets (present and future) of the Company.

**Collateral :**

- a. First pari passu 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. First pari passu charge by way of equitable mortgage over factory land & building of the Company situated at A-1112 & A- 1114, RIICO Industrial Area, Phase III, Bhiwadi Rajasthan and at E-538 & E-539A, RIICO Industrial Area, Chopanki, Rajasthan.

**Guarantee :**

- a. Personal Guarantee of whole time directors.

**22.2 The quarterly returns or statements of current assets filed by the Company with the banks are in agreement with the books of accounts of the Company.**

## NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2022

### NOTE NO. 23

#### LEASED LIABILITIES - CURRENT

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Current lease liabilities	170.12	152.34
<b>Total</b>	<b>170.12</b>	<b>152.34</b>

### NOTE NO. 24

#### TRADE PAYABLES - CURRENT

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Total outstanding dues of Micro and Small Enterprises	1,385.61	1,775.60
Total outstanding dues of creditors other than Micro and Small Enterprises:		
- for Goods	6,040.32	6,626.06
- for Services	1,623.70	1,491.44
<b>Total</b>	<b>9,049.63</b>	<b>9,893.10</b>

#### a) Details of dues to Micro and Small Enterprises as per the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount	1,355.43	1,745.92
- Interest amount	30.18	29.68
- Total of (i) & (ii)	1,385.61	1,775.60
- 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.	-	-
- 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.	30.18	29.68
- The amount of interest accrued and remaining unpaid at the end of each accounting period	121.50	91.33
- 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.	121.50	91.33

- 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 ₹ 30.18 Lakhs (P.Y. ₹ 29.68 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, 2022

d) Aging of Trade Payable outstanding as at 31<sup>st</sup> 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	
<b>Trade Payables</b>					
MSME	1,385.61	-	-	-	1,385.61
Others	7,632.89	4.55	4.89	3.60	7,645.93
Disputed dues- MSME	-	-	-	-	-
Disputed dues-Others	-	-	18.09	-	18.09
<b>Total</b>	<b>9,018.50</b>	<b>4.55</b>	<b>22.98</b>	<b>3.60</b>	<b>9,049.63</b>

Aging of Trade Payable outstanding as at 31<sup>st</sup> March, 2021 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	
<b>Trade Payables</b>					
MSME	1,775.60	-	-	-	1,775.60
Others	7,996.65	96.10	6.66	-	8,099.41
Disputed dues- MSME	-	-	-	-	-
Disputed dues-Others	-	18.09	-	-	18.09
<b>Total</b>	<b>9,772.25</b>	<b>114.19</b>	<b>6.66</b>	<b>-</b>	<b>9,893.10</b>

**NOTE NO. 25****OTHER FINANCIAL LIABILITIES - CURRENT**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Payable for capital goods	184.53	317.09
Employee related liabilities	376.93	351.20
Deferred Interest on security received	15.41	50.12
Interest accrued	-	3.69
Unpaid Dividend	17.75	15.87
Other Payable	467.83	375.81
Unspent CSR Expenses (Refer note no. 41)	34.30	-
<b>Total</b>	<b>1,096.75</b>	<b>1,113.78</b>

**NOTE NO. 26****OTHER CURRENT LIABILITIES**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Advance from customers	352.55	248.63
Statutory dues payable	584.49	589.04
<b>Total</b>	<b>937.04</b>	<b>837.67</b>

**NOTE NO. 27****PROVISIONS - CURRENT**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Provisions for Employee Benefits:		
Provisions for Gratuity	77.79	57.92
Provisions for Leave Encashment	11.76	8.49
<b>Total</b>	<b>89.55</b>	<b>66.41</b>



## NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

### NOTE NO. 28

#### REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>Sale of Products:</b>		
<b>1. Sale of Manufactured Goods:</b>		
(i) Steel Products	47,166.02	33,464.83
(ii) Paints Products	16,274.98	11,805.58
(iii) Power	124.11	112.42
<b>2. Sale of Traded Goods:</b>		
(i) Steel Products	3,481.96	132.66
(ii) Paints Products	7,768.61	8,142.77
(iii) Other Products	-	71.66
<b>Income from Services:</b>		
<b>3. Royalty on:</b>		
(i) Steel Products	9,158.97	8,533.37
(ii) Paints Products	100.98	258.84
<b>Total</b>	<b>84,075.63</b>	<b>62,522.13</b>

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 31<sup>st</sup> March, 2022 is as under:

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Steel	50,647.98	33,597.49
Paint	24,043.59	19,948.35
Power	124.11	112.42
Royalty Income	9,259.95	8,792.21
Others	-	71.66
<b>Total</b>	<b>84,075.63</b>	<b>62,522.13</b>

b) **RECONCILIATION OF REVENUE**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Gross value of Contracted Price	93,010.53	69,393.49
Less: Variable Component like Discount, Credit notes for various schemes, etc.	8,934.90	6,871.36
<b>Total</b>	<b>84,075.63</b>	<b>62,522.13</b>

c) **RECONCILIATION OF UNBILLED REVENUE**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Balance of unbilled revenue at the beginning of the year	953.69	-
Less : Revenue recognised out of unbilled revenue during the year	953.69	-
Add : Revenue recognised as unbilled revenue during the year	817.23	953.68
<b>Balance at the end of the year</b>	<b>817.23</b>	<b>953.68</b>

**NOTES** (Contd.)**FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022****d) RECONCILIATION OF ADVANCED RECEIVED FROM CUSTOMERS**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>Balance at the beginning of the year</b>	248.63	130.32
Less : Revenue recognised out of advance received from customers at beginning of year	215.67	74.70
Add : Advance received during the year from customers for which performance obligation is not satisfied and shall be recognised as revenue in next year	319.59	193.01
<b>Balance at the end of the year</b>	<b>352.55</b>	<b>248.63</b>

**NOTE NO. 29****OTHER INCOME**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>Interest Income:</b>		
(i) Interest from Bank on Fixed Deposits	8.98	10.04
(ii) Interest Others	7.00	7.68
(iii) Interest components on measurement of financial assets/ liabilities at amortized cost (net)	4.77	6.99
<b>Other non-operating Income:</b>		
(i) Insurance Claims received	3.34	32.24
(ii) Dividend Income	7.76	3.93
(iii) Miscellaneous Incomes	0.23	0.31
(iv) Profit on Sale/discarding of Assets	0.87	1.38
(v) Interest on Income Tax / Sales Tax Refund	-	4.12
(vi) Realised Gain on PMS	59.56	-
(vii) Unrealised Gain on valuation of PMS measured at fair value through profit or loss	105.91	282.69
<b>Total</b>	<b>198.42</b>	<b>349.38</b>

**NOTE NO. 30****COST OF MATERIALS CONSUMED**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
a. Raw Materials		
Opening Stock	1,037.25	1,146.12
Add : Purchases	49,747.58	33,635.02
Less : Closing Stock	1,143.28	1,037.25
<b>Total (a)</b>	<b>49,641.55</b>	<b>33,743.89</b>
b. Cost of Packing Materials		
Opening Stock	338.54	255.11
Add : Purchases	2,458.33	1,388.43
Less : Closing Stock	440.42	338.54
<b>Total (b)</b>	<b>2,356.45</b>	<b>1,305.00</b>
<b>Total (a+b)</b>	<b>51,998.00</b>	<b>35,048.89</b>

## NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

### NOTE NO. 31

#### PURCHASES OF STOCK-IN-TRADE

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Purchases	9,209.73	6,747.97
<b>Total</b>	<b>9,209.73</b>	<b>6,747.97</b>

### NOTE NO. 32

#### CHANGES IN INVENTORY OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
a. Closing Stock		
Finished Goods	5,356.40	4,319.58
Stock in Process	31.34	20.24
Stock of Traded Goods	299.75	628.29
Waste, Scraps & Runner Risers	70.94	36.02
<b>Total (a)</b>	<b>5,758.43</b>	<b>5,004.13</b>
b. Opening Stock		
Finished Goods	4,319.58	4,985.47
Stock in Process	20.24	44.17
Stock of Traded Goods	628.29	1,040.26
Waste, Scraps & Runner Risers	36.02	32.33
<b>Total (b)</b>	<b>5,004.13</b>	<b>6,102.23</b>
<b>(Increase)/Decrease in stocks (b-a)</b>	<b>(754.30)</b>	<b>1,098.10</b>

### NOTE NO. 33

Exceptional items of ₹ 583.09 Lakhs (Previous Year ₹ 1003.37 Lakhs) represents write down of insurance claim recoverable upon final settlement with insurance company in respect of fire claim at paint unit of the Company in FY 2019-20.

### NOTE NO. 34

#### EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Salary and Wages	5,663.88	4,494.11
Gratuity Expenses	95.80	79.27
Contribution to Provident Fund and Other Funds	198.71	174.82
Staff Welfare Expenses	66.25	56.64
<b>Total</b>	<b>6,024.64</b>	<b>4,804.84</b>

**NOTES** (Contd.)

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

**NOTE NO. 35****FINANCE COSTS**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Interest on Loan	854.98	1,209.66
Interest Other	45.24	44.76
Interest on Lease Liability	73.43	74.98
Other Financial Charges	40.68	28.97
Interest on Income tax	0.04	0.46
<b>Total</b>	<b>1,014.37</b>	<b>1,358.83</b>

**NOTE NO. 36****DEPRECIATION AND AMORTISATION EXPENSE**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Depreciation on Property Plant and Equipment	742.79	690.41
Depreciation on Right of use Assets	183.30	175.88
<b>Total</b>	<b>926.09</b>	<b>866.29</b>

**NOTE NO. 37****OTHER EXPENSES**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Consumption of Stores and Spares	334.78	250.73
Audit Fees	6.36	5.78
Advertisement	428.07	536.03
Bad Debts	116.59	110.56
Bank and Other Charges	32.31	35.95
Commission on Sales	580.22	536.42
Director Sitting Fees	18.90	17.61
Electricity and Water Expenses	22.43	11.04
Freight and Forwarding Expenses	2,390.79	2,130.98

## NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Fuel Charges	1,119.69	803.16
Insurance Charges	80.33	77.21
IIFL PMS Expenses	21.82	16.24
Legal and Professional Charges	177.84	147.39
Office Maintenance Exp.	33.83	30.88
Postage and Courier Charges	13.85	12.41
Printing and Stationery	60.32	45.32
Provision for Expected Credit Loss	388.97	275.24
Power Charges	1,921.31	1,707.87
Rates, Fee and Taxes (including Authorized share capital increase fees of ₹ 8.63 Lakhs)	86.61	83.70
Short term Lease	170.15	123.84
Repair and Maintenance	602.68	574.36
Sales Promotion	2,443.47	1,791.19
Telephone Expenses	64.44	60.84
Travelling and Conveyance	522.62	361.40
Realised Loss on sale of PMS	-	6.17
Vehicle Running and Maintenance	54.24	31.94
CSR Expenses (including uneligible CSR expenses of ₹ 14.20 Lakhs)	51.00	40.00
Donation	1.27	6.04
Miscellaneous Expenses	23.55	18.46
<b>Total</b>	<b>11,768.44</b>	<b>9,848.76</b>

### NOTE NO. 38

#### PAYMENT TO THE AUDITORS

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Statutory audit fee	5.55	5.18
Tax audit fee	0.75	0.60
<b>Total</b>	<b>6.30</b>	<b>5.78</b>

### NOTE NO. 39

#### EARNING PER SHARE (EPS)

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>Basic and Diluted Earnings Per Share</b>		
Profit after tax as per the Statement of Profit and Loss	2,631.20	1,507.62
No. of equity shares	2,69,35,500	2,69,35,500
Weighted Average No. of equity shares outstanding during the year	2,69,35,500	2,68,39,045
Basic Earning Per Share (₹)	9.77	5.62
Diluted Earning Per Share (₹)	9.77	5.62

**NOTES** (Contd.)

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

**NOTE NO. 40**

**THE COMPANY HAS INCURRED FOLLOWING EXPENDITURE ON RESEARCH AND DEVELOPMENT WHICH ARE INCLUDED IN THE RESPECTIVE HEADS OF EXPENSES.**

(₹ in Lakhs)

Revenue Expenditure	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Employee Cost	59.85	53.21
Testing and Laboratory Expenses	8.09	4.48
Vehicle Running Maintenance	4.21	4.17
Material Consumed	0.65	0.52
<b>Total</b>	<b>72.80</b>	<b>62.38</b>

**NOTE NO. 41**

**DETAILS OF EXPENDITURE INCURRED ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES AND SHORT FALL IN SPENDING IN CSR:**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
i) Total amount required to be spent by the Company during the year in accordance with the provision of section 135 of the Companies Act 2013.	36.80	39.34
ii) Amount of expenses incurred on		
- Construction/ Acquisition of any assets	-	-
- On purpose other than above	*36.80	40.01
iii) Shortfall at the end of the year in respect of on-going projects	-	(0.67)
iv) Total of previous year shortfall	-	-

Details of Related party transactions in relation to CSR expenditure as per relevant Accounting Standard	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Contribution to Kamdhenu Jeevandhara Foundation for carrying out Education & Skill development programme and also medical facilities on an on-going basis.	-	22.35

**Nature of CSR Activity:**

During the year the company has contributed an amount of ₹ 2.50 Lakhs towards old age home and a rescue center set up by Earth Savior Foundation (NGO). (CSR Reg. No. : CSR00002026)

\* Includes unspent amount on on-going project on Education & Skill development program and also medical facilities by Kamdhenu Jeevandhara Foundation amounting to ₹ 34.30 Lakhs for which provision for liability for the amount has been made as at 31<sup>st</sup> March, 2022 and is separately disclosed on "Unspent CSR Expenses" in other current financial liabilities in note no. 25 representing the extent to which the amount is to be transferred with in 30 days of end of financial year ended 31<sup>st</sup> March, 2022. The Company has since transferred unspent CSR expenses amount of ₹ 34.30 Lakhs to " Unspent CSR account- FY 2021-2022 on 22<sup>nd</sup> April, 2022 in compliance with provision of section 135 (6) of Companies Act, 2013.

## NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

### NOTE NO. 42

#### CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>a. Contingent Liabilities</b>		
(i) Claims against the Company not acknowledged as debt		
- Central Excise and Service Tax	912.64	305.00
- VAT and Entry Tax	-	74.18
- Income Tax	713.23	
(ii) Guarantees issued by Bank	2.00	2.00
	<b>1,627.87</b>	<b>381.18</b>
<b>b. Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advance)	191.85	11.91
	<b>191.85</b>	<b>11.91</b>
<b>Total (a+b)</b>	<b>1,819.73</b>	<b>393.08</b>

\*Demand of ₹ 912.64 Lakhs as penalty under Rule 26 of Central Excise Rules, 2002, at Kamdhenu Limited as Co-noticee in various matters out of which ₹ 8 Lakhs has been deposited under protest. All matters are pertaining to FY 2008-09 and appeal before CESTAT have been filed against each orders except order dated 22<sup>nd</sup> March, 2022 of ₹ 607.64 Lakhs which is under appeal filing process.

\*\*Demand of ₹ 709.83 Lakhs has been determined under section 143(3) of Income tax Act 1961 for A.Y. 2018-19 out of which ₹ 142.30 Lakhs has been deposited under protest and appeal is pending before National Faceless Appeal Centre (NFAC).

\*\*Demand of ₹ 3.39 Lakhs has determined under section 154 of Income tax Act 1961 for A.Y. 2019-20 out of which ₹ 0.70 Lakhs has been deposited under protest and appeal is pending before National Faceless Appeal Centre (NFAC).

### NOTE NO. 43

#### THE DISCLOSURE OF EMPLOYEES BENEFITS AS DEFINED IN THE INDIAN ACCOUNTING STANDARD-19 "EMPLOYEE BENEFITS" ARE AS FOLLOWS:

##### A) DEFINED BENEFIT PLAN - GRATUITY (UNFUNDED)

###### I) Assumptions

###### a) Financial Assumptions

- i) Discount Rate: The rate used to discount post-employment benefit obligations is determined by reference to market yields at the balance sheet date on government bonds. The currency and term of the government bonds is consistent with the currency and estimated term of the post-employment benefit obligations as under:

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Interest Rate for Discounting	7.20%	6.70%

**NOTES** (Contd.)**FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022**

- ii) Salary Increase: Salary increase takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Salary Increase Rate	5.00%	5.00%

**b) Demographic Assumptions**

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Retirement Age	58 Year	58 Year

Mortality: Indian Assured Lives Mortality (2012-14) ult. (IALM 2012-14). Rates at specimen ages are as shown below:

Age (Years)	Rates	Age (Years)	Rates
15	0.000698	60	0.011162
20	0.000924	65	0.015932
25	0.000931	70	0.024058
30	0.000977	75	0.038221
35	0.001202	80	0.061985
40	0.001680	85	0.100979
45	0.002579	90	0.163507
50	0.004436	95	0.259706
55	0.007513	100	0.397733

Indian Assured Lives Mortality (2012-14) ultimate table are used of calculations as on 31<sup>st</sup> March, 2021 and 31<sup>st</sup> March, 2022.

**Withdrawal: Withdrawal rates are for all causes in accordance with the following table:**

Age	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Up to 30 Years	4% per annum	4% per annum
31 to 45 Years	2% per annum	2% per annum
Above 45 Years	2% per annum	2% per annum

Disability: Leaving service due to disability is included in the provision made for withdrawals from service.

**II) Method of Valuation**

- a) Projected unit credit (PUC) actuarial method to assess the plan's liabilities allowing for retirements, deaths-in-service and withdrawals (Resignations / Terminations).
- b) Under the PUC method a projected accrued benefit is calculated at the beginning of the period and again at the end of the period for each benefit that will accrue for all active members of the plan. The projected accrued benefit is based on the plan accrual formula and service as at the beginning and end of the period, but using member's final compensation, projected to the age at which the employee is assumed to leave active service. The plan liability is the actuarial present value of the projected accrued benefits as on the date of valuation.



## NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

### III) Summary of Membership Data

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Number of Employees	900	858
Qualifying Monthly Salary for Gratuity Computation	177.22	135.77
Average Past Service	5.61 yrs	5.29 yrs
Average Age	37.75 yrs	37.31 yrs
Average Outstanding Service of Employees upto Retirement	20.25 yrs	20.69 yrs

### IV) Summary of Key Results

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>a) Balance Sheet</b>		
Present Value of Defined Benefit Obligation	544.46	405.83
Fair Value of Plan Assets	-	-
Restriction on Assets Recognized	-	-
Net Liability arising from Defined Benefit Obligation	544.46	405.83
<b>b) Statement of Profit or Loss</b>		
Defined Benefit Costs recognized in Profit or Loss	95.80	79.27
<b>c) Remeasurements - Other Comprehensive Income (OCI)</b>		
Remeasurements of the net defined benefit liability (asset)	67.91	(18.48)
<b>d) Break-up of Defined Benefit Obligation at end of the year as per Schedule III to The Companies Act, 2013:</b>		
Current Liability	77.79	57.92
Non-Current Liability	466.67	347.91
<b>Total Defined Benefit Obligation at end of the year</b>	<b>544.46</b>	<b>405.83</b>

### V) Actuarial measurements may differ in future from the current measurements due to factors such as:

- Plan experience differing from that anticipated by the economic or demographic assumptions
- Changes in economic or demographic assumptions
- Changes in plan provisions or applicable law
- Significant events since last actuarial valuation

### VI) Movements in the present value of the Defined Benefit Obligations

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Opening defined benefit obligation	405.83	364.88
Current Service Cost	68.61	54.46
Interest Cost	27.19	24.81
Remeasurement (gains)/ losses:		
- Actuarial (gains)/losses arising from changes in demographic assumptions	-	-
- Actuarial (gains)/losses arising from changes in financial assumptions	(27.36)	4.16
- Actuarial (gains)/losses arising from experience adjustments	95.27	(22.64)
- Other	-	-
Past service cost, including losses/(gains) on curtailments	-	-

**NOTES** (Contd.)**FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Liabilities extinguished on settlements	-	-
Liabilities assumed in a business combination	-	-
Exchange differences on foreign plans	-	-
Benefit Paid	(25.08)	(19.85)
Others	-	-
Closing defined benefit obligation	544.46	405.83

**VII) Movements in the fair value of the Plan Assets**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Opening fair value of plan assets	-	-
Interest Income	-	-
Remeasurement gain/(loss):	-	-
Return on plan assets (excluding amounts included in net interest expense)	-	-
Others	-	-
Contributions from the employer	-	-
Benefits paid	-	-
Other	-	-
Closing fair value of plan assets	-	-

**VIII) Service Cost**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Current Service Cost	68.61	54.46
Past Service Cost including curtailment gains/losses	-	-
Gains or Losses on non routine settlements	-	-
<b>Total</b>	<b>68.61</b>	<b>54.46</b>

**IX) Net Interest Cost (Income)**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Interest Cost on Defined Benefit Obligation	27.19	24.81
Interest Income on Plan Assets	-	-
Net Interest Cost (Income)	27.19	24.81

## NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

### X) Remeasurement of Defined Benefits Liability/ (Assets) in Other Comprehensive Income (₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Return on plan assets (excluding amounts included in net interest expense)	-	-
Actuarial (gains)/ losses arising from changes in demographic assumptions	-	-
Actuarial (gains)/ losses arising from changes in financial assumptions	(27.36)	4.16
Actuarial (gains)/ losses arising from experience adjustments	95.27	(22.64)
Other	-	-
Adjustments for restrictions on the defined benefit asset	-	-
Components of defined benefit costs recognized in other comprehensive income	67.91	(18.48)

### XI) Amount recognized in the Statement of Profit and Loss (₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Service Cost	68.61	54.46
Net Interest Cost (Income)	27.19	24.81
Defined Benefit Cost recognized in statement of Profit or Loss	95.80	79.27

### XII) The amount included in the Balance Sheet (₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Present value of defined benefit obligation	544.46	405.83
Fair value of plan assets	-	-
Funded status	(544.46)	(405.83)
Restrictions on asset recognized	-	-
Other	-	-
Net liability arising from defined benefit obligation	544.46	405.83

### XIII) Illustration of the Component of Net Defined Benefit Obligation (₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Net defined benefit liability at the start of the period	405.83	364.88
Service Cost	68.61	54.46
Net Interest Cost (Income)	27.19	24.81
Remeasurements	67.91	(18.48)
Contribution paid to the Fund	-	-
Benefits paid directly by the enterprise	(25.08)	(19.85)
Net defined benefit liability at the end of the period	544.46	405.83

**NOTES** (Contd.)

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

**XIV) Plan Assets - Category wise description**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
GOI Securities	-	-
PSU Bonds	-	-
State/ Central Guaranteed	-	-
Special Deposits	-	-
Private Sector	-	-
Asset Invested in Insurance Scheme with the Insurer	-	-

**XV) Maturity Profile of Defined Benefit Obligation**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
a) Weighted Average duration of the defined benefit obligation	15 yrs	16 yrs
b) Duration of defined benefit obligation		
Duration (Years)		
1	77.79	57.92
2	15.68	10.68
3	13.93	11.27
4	33.58	9.01
5	19.89	25.61
Above 5	383.59	291.35
<b>Total</b>	<b>544.46</b>	<b>405.83</b>
c) Duration of defined benefit payments		
Duration (Years)		
1	80.54	59.83
2	17.41	11.77
3	16.58	13.25
4	42.83	11.30
5	27.20	34.28
Above 5	1,120.90	826.50
<b>Total</b>	<b>1,305.45</b>	<b>956.95</b>

**XVI) Sensitivity Analysis**

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

## NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

**a) Changes in Defined benefit obligation due to 1% Increase/Decrease in Discount Rate, if all other assumptions remain constant.**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
a) Defined benefit obligation	544.46	405.83
b) Defined benefit obligation at 1% Increase in Discount rate	495.84	367.20
c) Defined benefit obligation at 1% Decrease in Discount rate	601.51	451.50
d) Decrease in Defined benefit obligation due to 1% increase in discount rate (a-b)	48.62	38.63
e) Increase in Defined benefit obligation due to 1% decrease in discount rate (c-a)	57.05	45.67

**b) Changes in Defined benefit obligation due to 1% Increase/Decrease in Expected rate of Salary Escalation, if all other assumptions remain constant.**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
a) Defined benefit obligation	544.46	405.83
b) Defined benefit obligation at 1% Increase in Expected Salary Escalation rate	601.49	451.83
c) Defined benefit obligation at 1% Decrease in Expected Salary Escalation rate	495.15	366.28
d) Increase in Defined benefit obligation due to 1% increase in Expected Salary Escalation rate (b-a)	57.03	46.00
e) Decrease in Defined benefit obligation due to 1% decrease in Expected Salary Escalation rate (a-c)	49.31	39.55

**XVII) Defined Benefit Obligation for Gratuity Benefit for Key Management Personnel**

(₹ in Lakhs)

Key Management Personnel	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Shri Harish Kumar Agarwal	14.51	12.85
Shri Khem Chand	0.18	-

**XVIII) Risks associated with Plan Provisions**

Risks associated with the plan provisions are actuarial risks. These risks are: (i) investment risk, (ii) interest risk (discount rate risk), (iii) mortality risk and (iv) salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to Government Bonds Yield. If plan liability is funded and return on plan assets is below this rate, it will create a plan deficit.
Interest risk (discount rate risk)	A decrease in the bond interest rate (discount rate) will increase the plan liability
Mortality risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants. For this report we have used Indian Assured Lives Mortality (2012-14) ultimate table. A change in mortality rate will have a bearing on the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.



## NOTES (Contd.)

### FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

#### 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.

#### NOTE NO. 44

The Company 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 financial year is ₹ 184.60 Lakhs (previous year ₹ 159.56 Lakhs) and is included in Note no. 34 " Employees Benefit expenses".

#### NOTE NO. 45

#### 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

Demand/supply risk are inherent in the prices of Ingot/Billet, the main raw material and also the prices of TMT bar, the main product in Steel segment. 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 Company has also linked its sales to raw material prices so that the Company has adequate cushion to protect its margin in the event of any increase/decrease in raw material costs. The main raw material in paint segment is Alkyd Resin/Titanium Dioxide and its prices fluctuates based on change in international crude oil prices. In Paints segment, the volatility in final product prices is dependent on market forces.

##### 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 Company works with. The Company 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.

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 Company. The Company 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 Company 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 Company has followed Expected Credit Loss (ECL) model to provide for provision for ECL allowance.

The Company 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. The Company has invested in Portfolio Management Scheme with reputed asset management company and do not foresee any credit risk.

##### 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, bank overdrafts, bank loans. The Company considers liquidity risk as low risk.

## NOTES (Contd.)

### FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

#### 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 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:-

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Fixed rate borrowings	115.32	85.05
Variable rate borrowings	8,611.90	9,279.86
<b>Total Borrowings</b>	<b>8,727.22</b>	<b>9,364.91</b>

The impact on profit before tax of change in 50 basis points on variable rate borrowings are as under:-

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Increase in 50 basis point	(43.06)	(46.40)
Decrease in 50 basis point	43.06	46.40

#### 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.

(₹ in Lakhs)

31 <sup>st</sup> March, 2022	CONTRACTUAL CASH FLOWS				
	Carrying amount	Within 1 year	1-2 years	2-5 years	More than 5 years
<b>Borrowings:</b>					
Vehicle Loan	115.32	34.31	30.91	50.10	-
Covid Term Loan	1,756.26	569.89	423.54	762.83	-
Working Capital	6,855.64	6,855.64	-	-	-
Unsecured Intercorporate Loan (Repayable on demand)	5.00	5.00	-	-	-
Leased Liabilities	637.55	170.12	186.48	280.95	-
Trade Payables	9,049.63	9,049.63	-	-	-
Other financial liabilities	2,053.18	1,096.75	956.43	-	-

(₹ in Lakhs)

31 <sup>st</sup> March, 2021	CONTRACTUAL CASH FLOWS				
	Carrying amount	Within 1 year	1-2 years	2-5 years	More than 5 years
<b>Borrowings:</b>					
Vehicle Loan	85.05	38.07	13.11	33.87	-
Covid Term Loan	815.65	626.63	189.02	-	-
Working Capital	8,464.21	8,464.21	-	-	-
Unsecured Intercorporate Loan (Repayable on demand)	2.00	2.00	-	-	-
Leased Liabilities	658.20	152.34	134.76	371.10	-
Trade Payables	9,893.10	9,893.10	-	-	-
Other financial liabilities	1,857.30	1,096.75	760.55	-	-

**NOTES** (Contd.)**FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022****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's net debts includes interest and non interest bearing loans less cash and bank balances.

The Company's net debt to Equity ratio is as under:

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Total Bank Borrowings	8,732.22	9,366.91
Less: Cash and Cash Equivalents	1,201.57	237.96
Adjusted net debt	7,530.65	9,128.95
Total Equity	21,810.40	19,475.24
Adjusted net debt to total equity	34.53%	46.87%

The Company's total owned funds of ₹ 21810.40 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 Company do not have any foreign currency exposure, hence no foreign currency risks.

**NOTE NO. 46****FINANCIAL INSTRUMENTS: ACCOUNTING CLASSIFICATION, FAIR VALUE MEASUREMENTS**

(₹ in Lakhs)

31 <sup>st</sup> March, 2022	Carrying Value	Classification			Fair Value		
		FVTPL	FVTOCI	Amortized Cost	Level 1	Level 2	Level 3
<b>Financial Assets:</b>							
Investment in Subsidiary	1.00	-	-	1.00	-	-	-
Investment Other	1,165.99	967.90	198.09	-	967.90	-	198.09
Loans	55.56	-	-	55.56	-	-	-
Other Financial Assets	763.21	-	-	763.21	-	-	-
Trade Receivable	19,818.95	-	-	19,818.95	-	-	-
Cash and cash equivalents	1,201.57	-	-	1,201.57	-	-	-
Other Bank Balances	202.26	-	-	202.26	-	-	-

(₹ in Lakhs)

31 <sup>st</sup> March, 2022	Carrying Value	Classification			Fair Value		
		FVTPL	FVTOCI	Amortized Cost	Level 1	Level 2	Level 3
<b>Financial Liabilities:</b>							
Borrowings	8,732.22	-	-	8,732.22	-	-	-
Leased Liabilities	637.55	-	-	637.55	-	-	-
Trade Payables	9,049.63	-	-	9,049.63	-	-	-
Other Financial Liabilities	2,053.18	-	-	2,053.18	-	-	-



## NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ in Lakhs)

31 <sup>st</sup> March, 2021	Carrying Value	Classification			Fair Value		
		FVTPL	FVTOCI	Amortized Cost	Level 1	Level 2	Level 3
<b>Financial Assets:</b>							
Investment in Subsidiary	1.00	-	-	1.00	-	-	-
Investment Other	852.43	617.23	235.20	-	617.23	-	235.20
Loans	51.27	-	-	51.27	-	-	-
Other Financial Assets	2,882.27	-	-	2,882.27	-	-	-
Trade Receivable	19,975.78	-	-	19,975.78	-	-	-
Cash and cash equivalents	237.96	-	-	237.96	-	-	-
Other Bank Balances	172.19	-	-	172.19	-	-	-

(₹ in Lakhs)

31 <sup>st</sup> March, 2021	Carrying Value	Classification			Fair Value		
		FVTPL	FVTOCI	Amortized Cost	Level 1	Level 2	Level 3
<b>Financial Liabilities:</b>							
Borrowings	9,366.91	-	-	9,366.91	-	-	-
Leased Liabilities	658.20	-	-	658.20	-	-	-
Trade Payables	9,893.10	-	-	9,893.10	-	-	-
Other Financial Liabilities	1,857.30	-	-	1,857.30	-	-	-

### NOTE NO. 47

#### 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 Company is principally engaged in two business segment viz., Steel and Paint.

The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with following additional policies for segment reporting:

- Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".
- Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Segment Revenue</b>		
- Steel	59,931.06	42,314.94
- Paints	24,144.57	20,207.19
<b>Gross Revenue from Operations</b>	<b>84,075.63</b>	<b>62,522.13</b>

**NOTES** (Contd.)**FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022**

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Segment Results</b>		
- Steel	5,739.63	5,795.66
- Paints	38.74	(1,492.42)
<b>Profit/(Loss) before finance cost, Tax and unallocable items</b>	<b>5,778.37</b>	<b>4,303.23</b>
Less: Finance cost	1,014.37	1,358.83
Less: Other Unallocable Expenditure net of Income	1,260.01	849.95
<b>Total Profit / (loss) before Tax</b>	<b>3,503.99</b>	<b>2,094.46</b>
<b>Segment Assets</b>		
- Steel	19,345.95	20,763.20
- Paints	23,484.79	21,044.03
- Unallocable	1,408.75	1,305.84
<b>Total Segment Assets</b>	<b>44,239.49</b>	<b>43,113.07</b>
<b>Segment Liabilities</b>		
- Steel	8,053.97	7,318.41
- Paints	14,016.24	15,774.90
- Unallocable	358.88	544.52
<b>Total Segment Liabilities</b>	<b>22,429.09</b>	<b>23,637.83</b>

**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.)

	(₹ in Lakhs)	
India	84,075.63	62,522.13
Outside India	-	-

- ii) None of the non-current assets are located outside India.  
iii) There are no transaction with in a single customer amounting to 10% or more of the Company is as under

**NOTE NO. 48****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	Name of Related Party
<b>Key Management Personnel</b>	Shri Satish Kumar Agarwal, Chairman & Managing Director Shri Sunil Kumar Agarwal, Whole Time Director Shri Saurabh Agarwal, Whole Time Director Shri Sachin Agarwal, Whole Time Director Shri Harish Kumar Agarwal-Chief Financial Officer Shri Ashish Kapil-Company Secretary till 3rd April, 2021 Shri Khem Chand-Company Secretary from 9th August, 2021
<b>Other</b>	Ms. Somya Agarwal (D/o Shri Sunil Kumar Agarwal - Whole Time Director) M/s Environ Care Product LLP - {Independent Director of the Co. (Shri Ramesh Chand Surana) is designated partner in M/s Environ Care Product LLP}
<b>Subsidiary Company</b>	Kamdhenu Ventures Limited
<b>Step Subsidiary Company</b>	Kamdhenu Colour and Coatings Limited

## NOTES (Contd.)

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

### B. Disclosure of Transactions with Related Parties, as required by Ind AS 24 'Related Party Disclosure' is given below:

(₹ in Lakhs)

Remuneration/Perquisites	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>Short-term employee benefits to Key Managerial Personnel</b>		
Shri Satish Kumar Agarwal, Chairman & Managing Director	228.79	144.54
Shri Sunil Kumar Agarwal, Whole Time Director	225.79	142.17
Shri Saurabh Agarwal, Whole Time Director	222.79	138.79
Shri Sachin Agarwal, Whole Time Director	222.79	138.79
Shri Harish Kumar Agarwal-Chief Financial Officer	40.13	34.44
Shri Khem Chand- Company Secretary	7.74	-
Shri Ashish Kapil- Company Secretary	0.18	4.61
Shri Jogeswar Mohanty-Company Secretary	-	8.39
<b>Total</b>	<b>948.22</b>	<b>611.73</b>
<b>Defined Benefit Obligation - Gratuity</b>		
Shri Harish Kumar Agarwal-Chief Financial Officer	14.51	12.85
Shri Khem Chand- Company Secretary	0.18	-
<b>Total</b>	<b>14.69</b>	<b>12.85</b>
<b>Defined Benefit Obligation - Leave Encashment</b>		
Shri Harish Kumar Agarwal-Chief Financial Officer	1.89	1.37
Shri Khem Chand- Company Secretary	0.16	-
<b>Total</b>	<b>2.05</b>	<b>1.37</b>
<b>Share Based Payment- ESOS</b>		
Shri Harish Kumar Agarwal-Chief Financial Officer	-	19.00
Shri Jogeswar Mohanty-Company Secretary	-	3.80
<b>Total</b>	<b>-</b>	<b>22.80</b>
<b>Director Sitting Fee</b>		
Shri Ramesh Chand Surana, Independent Director	4.50	5.01
Shri Ramesh Chandra Jain, Independent Director	5.40	2.80
Shri Madhusudan Agarwal, Independent Director	5.20	-
Smt Nishal Jain, Independent Director	3.80	4.60
Shri Mahendra Kumar Doogar, Independent Director	-	5.20
<b>Total</b>	<b>18.90</b>	<b>17.61</b>
<b>C. Others Transactions</b>		
Loan taken from Kamdhenu Concast Limited during the year (Company in which director are interested)	3.00	2.00
Shri Satish Kumar Agarwal -Sale of TMT Bar- Chairman & Managing Director	1.15	-
M/s Environ Care Product LLP - (Sale of Paint) {Independent Director of the Co. (Shri Ramesh Chand Surana) is designated partner in M/s Environ Care Product LLP}	0.62	-
Ms. Somya Agarwal - Employee Benefits (D/o Shri Sunil Kumar Agarwal - Whole Time Director)	28.67	27.45
<b>D. Outstanding Loan from Kamdhenu Concast Limited at end of the year (Company in which directors are interested)</b>	<b>5.00</b>	<b>2.00</b>

**NOTES** (Contd.)**FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022****NOTE NO. 49**

The Ministry of Corporate Affairs ( MCA ) through Companies ( Indian Accounting Standard) Amendment Rules 2019 and Companies ( Indian Accounting Standard) Second Amendment Rules has notified Ind AS 116 'leases' which replaces existing lease standard, Ind AS 17 Leases and other Interpretation. Ind AS 116 sets out the principles for recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single on balance sheet lease accounting model for lessees.

The Company has adopted Ind AS 116 effective annual reporting period beginning from 1<sup>st</sup> April, 2019 and applied the standard to its leases retrospectively with the cumulative effect of initially applying the standard, recognised on the date of initial application (1<sup>st</sup> April, 2019). The cumulative effect of initially applying standard has been recognised as an adjustment to opening balance of retained earnings as on 1<sup>st</sup> April, 2019.

On application of Ind AS 116, the nature of expense has changed from lease rent in previous periods to depreciation cost for right of use asset and finance cost for interest accrued on lease liability.

The detail of right of use asset held by the Company is as follows:

(₹ in Lakhs)

Particulars	As at	
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
<b>Building</b>		
Opening Balance of Right of use assets	500.33	676.21
Addition in Right of use assets during the year ended	145.40	0.00
Amortisation of Right of use assets	(183.30)	(175.88)
Balance of Right of use assets	462.43	500.33

Depreciation on right of use asset is ₹ 183.30 Lakhs and interest on lease liability for year ended 31<sup>st</sup> March, 2022 is ₹ 73.43 Lakhs. Lease Contracts entered by the Company majorly pertains to building taken on lease to conduct the business activities in ordinary course.

**Impact of Covid-19**

The leases that the Company 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:-

(₹ in Lakhs)

Particulars	As at	
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
Current lease liability	170.12	152.34
Non-Current lease liability	467.43	505.86
<b>Total</b>	<b>637.55</b>	<b>658.20</b>

Movement in Lease Liability are as follows:-

(₹ in Lakhs)

Particulars	Year ended	
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
Balance at the beginning of the year	658.20	823.54
Addition during the year	145.40	-
Finance cost accrued during the year	73.43	74.98
Deletion	-	-
Payment of lease liability and Interest there on	239.48	240.32
Balance at the end of the year	637.55	658.20

## NOTES (Contd.)

### FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

The table below provides details regarding the Contractual Maturities of Lease Payment as at 31<sup>st</sup> March, 2022 on an Undiscounted basis:

(₹ in Lakhs)

Particulars	As at	As at
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
Less than one year	225.92	210.87
One to five year	532.70	597.26

The Company do not foresee Liquidity Risk with regard to its Lease Liabilities as the Current Assets are Sufficient to meet the obligation related to Lease Liability as and when they fall due.

#### NOTE NO. 50

##### RELATIONSHIP WITH STRUCK OFF COMPANIES

Disclosure in respect to relationships with struck off companies under section 248 of Companies Act, 2013 or section 560 of Companies Act 1956 are as under:-

Sr. No.	Name of Struck off Company	Nature of Transaction with Struck off Company	Balance outstanding		Relationship with struck off companies	Remarks
			As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021		
1	Tecon Infrastructure Private Limited	Trade Receivable	-	29.79	Customer in the ordinary course of business	During the year company has written off amount as bad debts.
2	Louhka Technocrat Builders & Eng. (P). Limited	Trade Receivable	-	24.85	Customer in the ordinary course of business	During the year company has written off amount as bad debts.
3	AMC Project (P). Limited	Trade Receivable	-	1.25	Customer in the ordinary course of business	During the year company has written off amount as bad debts.
4	Smart M.K Trade World Private Limited	Trade Receivable	-	0.66	Customer in the ordinary course of business	During the year company has written off amount as bad debts.
5	MX Infra Limited	Trade Receivable	-	0.24	Customer in the ordinary course of business	During the year company has written off amount as bad debts.

#### NOTE NO. 51

The Hon'ble National Company Law Tribunal, Chandigarh Bench, Chandigarh ('NCLT') during the hearing held on 22<sup>nd</sup> April, 2022, has reserved the order on the Scheme of Arrangements ('Scheme') including the De-merger of the Paint Business of the Company into a separate entity. The order is pending to be pronounced by the NCLT. Accordingly, no disclosure of accounting effect of such amalgamation and de-merger in the books of accounts of the Company has been made in the financial statements for the FY 2021-22.

#### NOTE NO. 52

The Company continues to monitor the impact of COVID 19 on its business including its impact on customers, supply chain etc. Due care has been exercised on significant accounting judgement and estimates including in relation to recoverability of

**NOTES** (Contd.)**FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022**

receivables, inventory and other financial assets based on information available to date while preparing the Company's financial statements for the FY 2021-22.

**NOTE NO. 53**

Statement Containing Salient features of Subsidiary	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Name of Subsidiary (Consolidated)	Kamdhenu Ventures Limited	Kamdhenu Ventures Limited
Reporting Period	1 <sup>st</sup> April, 2021 to 31 <sup>st</sup> March, 2022	1 <sup>st</sup> April, 2020 to 31 <sup>st</sup> March, 2021
Share Capital	3.04	3.04
Reserve & Surplus	(3.52)	(2.83)
Total Assets	4.97	2.65
Total Liabilities	5.45	2.44
Investment	Nil	Nil
Turnover	Nil	Nil
Profit (Loss) after Tax	(0.69)	(1.49)
% of Share Holding	100%	100%

Kamdhenu Colour and Coatings Limited is wholly owned subsidiary company of Kamdhenu Ventures Limited and Kamdhenu Ventures Limited is the wholly owned subsidiary of Kamdhenu Limited, accordingly Kamdhenu Colour and Coatings Limited is step subsidiary company of Kamdhenu Limited. The Financial statement of Kamdhenu Colour and Coatings Limited as at 31<sup>st</sup> March, 2022 have been consolidated in Kamdhenu Ventures Limited and Consolidated Financial statement of Kamdhenu Ventures Limited have been consolidated in Kamdhenu Limited. The Statement containing salient features are based on consolidated financial statement of Kamdhenu Ventures Limited.

**NOTE NO. 54****Additional information Pursuant To Schedule III Of The Companies Act 2013:**

Name of the entity	Net Assets		Share in profit (loss)	
	As % of consolidated net assets	Amount	As % of consolidated profit/ (loss)	Amount
<b>Subsidiary Companies:</b>				
Kamdhenu Ventures Limited (Consolidated)	-0.0022%	(0.48)	-0.027%	(0.69)

**NOTE NO. 55**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under companies (Indian Accounting Standards) Rules as issued from time to time on 23<sup>rd</sup> March, 2022 MCA amended the companies (Indian Accounting Standards) Amendment Rules, 2022, as below

**Ind AS 16- Property Plant and equipment-** The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing. If any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after 1<sup>st</sup> April, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

## **NOTES** (Contd.)

**FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022**

**Ind AS 37- Provisions, Contingent Liabilities and Contingent Assets-** The amendment specifies that the "cost of fulfilling" a contract comprises the 'costs that relate directly to the contract', Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labor, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after 1<sup>st</sup> April, 2022, although early adoption is permitted, The Company has evaluated the amendment and there is no impact on the financial statement.

### **NOTE NO. 56**

#### **DISCLOSURE IN ACCORDANCE WITH REQUIREMENTS UNDER IND AS-10 EVENT AFTER THE REPORTING DATE:**

The Board of Directors of the Company have recommended dividend of ₹ 1/- per share for the financial year ended 31<sup>st</sup> March, 2022 for the approval of shareholders. The actual dividend outgo will be dependent on share capital outstanding as on record date.

### **NOTE NO. 57**

Previous years figures have been regrouped, rearranged or reclassified, whenever necessary to confirm the current year's classification.

---

As per our report of even date attached

**For B S D & CO.**

Chartered Accountants  
Firm Registration No. 000312S

**(Surendra Khinvasra)**

Partner  
Membership No.070804  
Date : 30<sup>th</sup> May, 2022  
Place: Gurgaon

For and on behalf of Board of Directors of  
**Kamdhenu Limited**

**(Satish Kumar Agarwal)**

Chairman & Managing Director  
DIN: 00005981

**(Harish Kumar Agarwal)**

Chief Financial Officer

**(Sunil Kumar Agarwal)**

Whole Time Director  
DIN: 00005973

**(Khem Chand)**

Company Secretary



# Next Generation **INTERLOCK** Steel

**Advanced**  
Double Rib

**2.5 Times Stronger**  
Interlock

**Superior Resistance**  
From Earthquake

**Compatible with**  
Skyline Structure

*Being a leader in developing construction and infrastructure products, Kamdhenu has moved forward a step ahead and developed a new engineered product to meet the requirements of new-age engineered buildings with right chemical and physical properties. This revolutionary Interlock Steel will transform the high structured architectural projects into reality.*



**KAMDHENU** **Next**  
DOUBLE RIB TMT BAR





## KAMDHENU LIMITED

CIN: L27101HR1994PLC092205

**Regd. Office:** 2<sup>nd</sup> Floor, Tower-A, Building No. 9  
DLF Cyber City Phase - 3, Gurgaon - 122 002

Ph.: 0124-4604500 Fax: 0124-4218524  
Email: [kamdhenulimited.com](mailto:kamdhenulimited.com)  
Website: [www.kamdhenulimited.com](http://www.kamdhenulimited.com)



**KAMDHENU LIMITED**

**CIN:** L27101HR1994PLC092205

**Registered Office:** 2nd Floor, Tower-A, Building No. 9, DLF Cyber City, Phase-III, Gurgaon, Haryana-122002

**Phone:** 0124-4604500, **E-mail:** kamdhenu@kamdhenulimited.com

**Website:** www.kamdhenulimited.com

**NOTICE OF 28<sup>TH</sup> ANNUAL GENERAL MEETING**

**NOTICE** is hereby given that the Twenty-Eighth (28<sup>th</sup>) Annual General Meeting ("AGM") of the Members of Kamdhenu Limited will be held on Thursday the 28<sup>th</sup> day of July, 2022 at 11:30 A.M (IST) through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM"), to transact the following business.

**ORDINARY BUSINESSSES:**

- 1. TO RECEIVE, CONSIDER AND ADOPT THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2022, 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 for the Financial Year ended on 31st March, 2022 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 for the Financial Year ended on 31<sup>st</sup> March, 2022 and the Reports of the Auditors' thereon, laid before the meeting, be and are hereby received, considered and adopted."

- 2. TO APPROVE AND DECLARE THE FINAL DIVIDEND OF ₹ 1.00 (RUPEE ONE) PER EQUITY SHARE (I.E. @ 10%) HAVING FACE VALUE OF ₹ 10/- EACH FULLY PAID UP FOR THE FY 2021-22.**

**To consider and, if thought fit, to pass the following resolutions as Ordinary Resolution:**

**"RESOLVED THAT** the final dividend of ₹1.00 per Equity Share (i.e. @10%) having face value of ₹10/- each fully paid up for the FY 2021-22, as recommended by the Board of Directors, be and is hereby approved and declared."

- 3. RE-APPOINTMENT OF SHRI SATISH KUMAR AGARWAL, (DIN: 00005981) CHAIRMAN & MANAGING DIRECTOR OF THE COMPANY, RETIRING BY ROTATION.**

**To consider and, if thought fit, to pass the following resolutions as Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies

Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Shri Satish Kumar Agarwal (DIN: 00005981), who retires by rotation and being eligible offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company liable to retire by rotation."

- 4. TO APPOINT M/S S.S. KOTHARI MEHTA & CO, CHARTERED ACCOUNTANTS (FIRM REGISTRATION NO. 000756N) AS STATUTORY AUDITORS OF THE COMPANY IN PLACE OF M/S B S D & CO., CHARTERED ACCOUNTANTS (FIRM REGISTRATION NO. 000312S) RETIRING AUDITORS:**

**To consider and, if thought fit, to pass the following resolutions as Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 139, 141 and 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as may be applicable, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force and pursuant to the recommendations of the Audit Committee and the Board of Directors, M/s S.S. Kothari Mehta & Co. Chartered Accountants (Firm Registration No.000756N), be and is hereby appointed as Statutory Auditors of the Company, in place of retiring auditors M/s B S D & Co., Chartered Accountants (Firm Registration No. 000312S), to hold office from the conclusion of the 28th Annual General Meeting until the conclusion of the 33rd Annual General Meeting of the Company, on such remuneration and out of pocket expenses, as may be decided by the Board of Directors of the Company in consultation with the M/s S.S. Kothari Mehta & Co. Chartered Accountants."

**SPECIAL BUSINESSSES:**

- 5. RE-APPOINTMENT OF SHRI SATISH KUMAR AGARWAL (DIN: 0005981) AS CHAIRMAN & MANAGING DIRECTOR OF THE COMPANY:**

**To consider and, if thought fit, to pass the following resolutions as a Special Resolution:**

**"RESOLVED THAT** pursuant to the recommendation of Nomination & Remuneration Committee and approval of Board of Directors of the Company in their meeting held on 30<sup>th</sup> May, 2022 and pursuant to the provisions of Sections

## **NOTICE** (Contd.)

196, 197, 203 and all other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V thereto, the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, as amended, from time to time and Article of Association of the Company, Shri Satish Kumar Agarwal (DIN : 00005981), Chairman & Managing Director of the Company, whose period of office will expire on 31<sup>st</sup> March, 2023 and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 and who has already attained the age of 70 (Seventy) years, be and is hereby re-appointed as Chairman & Managing Director of the Company, liable to retire by rotation, for a further period of three years with effect from 1<sup>st</sup> April, 2023, at a monthly remuneration not exceeding ₹ 25 Lakh, including perks and other benefits.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as **"the Board"** which term shall always be deemed to include any Committee as constituted or to be constituted by the Board to exercise its powers including the powers conferred under this resolution) shall, in accordance with the statutory limits/approvals as may be applicable for the time being in force, be at full liberty to revise/alter/modify/amend the terms and conditions of the said appointment and/or remuneration, from time to time, in the manner and to the extent it deems appropriate, provided that such revision/variation are in consonance of the Companies Act, 2013 read with Schedule V thereto, and/or any guidelines prescribed by the Government from time to time and/or other competent authority, if any, as may be mutually agreed to between the Board of Directors and Shri Satish Kumar Agarwal.

**RESOLVED FURTHER THAT** pursuant to the Section II of Part II to the Schedule V to the Companies Act, 2013 read in particular with the proviso to Paragraph (A), in case of inadequacy of profits or no profits in the Company, in any financial year, Shri Satish Kumar Agarwal shall be paid the aforesaid remuneration as minimum remuneration.

**RESOLVED FURTHER THAT** pursuant to the Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, read with the provisions of the Companies Act, 2013 and Rules made thereunder and Schedule V thereto, consent of the Members be and is hereby accorded to the payment of aforementioned remuneration to Shri Satish Kumar Agarwal, as Chairman & Managing Director of the Company and being the Promoter of the Company, notwithstanding that the aforementioned

annual remuneration is in excess of 5% of the net profit as calculated under the provision of Section 198 of the Companies Act, 2013 in any financial year during his tenure of appointment.

**RESOLVED FURTHER THAT** Shri Satish Kumar Agarwal shall not be entitled to any sitting fee for attending meetings of the Board and/ or Committee(s) thereof.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

### **6. RE-APPOINTMENT OF SHRI SUNIL KUMAR AGARWAL (DIN : 00005973) AS WHOLE-TIME DIRECTOR OF THE COMPANY:**

**To consider and, if thought fit, to pass the following resolutions as a Special Resolution**

**"RESOLVED THAT** pursuant to the recommendation of Nomination & Remuneration Committee and approval of Board of Directors of the Company in their meeting held on 30<sup>th</sup> May, 2022, pursuant to the provisions of Sections 196, 197, 203 and all other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V thereto, the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, as amended, from time to time and Article of Association of the Company, Shri Sunil Kumar Agarwal (DIN : 00005973), Whole-time Director of the Company, whose period of office will expire on 31<sup>st</sup> March, 2023 and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013, be and is hereby re-appointed as Whole-time Director of the Company, liable to retire by rotation, for a further period of three years with effect from 1<sup>st</sup> April, 2023, at a monthly remuneration not exceeding ₹ 25 Lakhs, including perks and other benefits.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as **"the Board"** which term shall always be deemed to include any Committee as constituted or to be constituted by the Board to exercise its powers including the powers conferred under this resolution) shall, in accordance with the statutory limits/approvals as may be applicable for the time being in force, be at full liberty to revise/alter/modify/amend the terms and conditions of the said appointment and/or remuneration, from time to time, in the manner and to the extent it deems appropriate, provided that such revision/variation are in consonance provision of the Companies Act, 2013 read with Schedule V thereto, and/or any

## NOTICE (Contd.)

guidelines prescribed by the Government from time to time and/or other competent authority if any, as may be mutually agreed between the Board of Directors and Shri Sunil Kumar Agarwal.

**RESOLVED FURTHER THAT** pursuant to the Section II of Part II to the Schedule V to the Companies Act, 2013 read in particular with the proviso to Paragraph (A), in case of inadequacy of profits or no profits in the Company, in any financial year, Shri Sunil Kumar Agarwal shall be paid the aforesaid remuneration as minimum remuneration.

**RESOLVED FURTHER THAT** pursuant to the Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, read with the provisions of the Companies Act, 2013 and Rules made thereunder and Schedule V thereto, consent of the Members be and is hereby accorded to the payment of aforementioned remuneration to Shri Sunil Kumar Agarwal, as Whole-time Director and Promoter of the Company, notwithstanding that the aforementioned annual remuneration is in excess of 5% of the net profit as calculated under the provision of Section 198 of the Companies Act, 2013 in any financial year during his tenure of appointment.

**RESOLVED FURTHER THAT** Shri Sunil Kumar Agarwal shall not be entitled to any sitting fee for attending meetings of the Board and/or Committee(s) thereof.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

### 7. TO RE-DESIGNATE SHRI SAURABH AGARWAL (DIN: 00005970) AS NON-EXECUTIVE & NON-INDEPENDENT DIRECTOR OF THE COMPANY, LIABLE TO RETIRE BY ROTATION:

**To consider and, if thought fit, to pass the following resolutions as a Special Resolution:**

**"RESOLVED THAT** in supersession to the earlier resolution passed by the members in the 25th Annual General Meeting of the Company held on 30th September, 2019 and pursuant to recommendation of Nomination and Remuneration Committee and approval of Board of Directors of the Company and in accordance with the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and in accordance with the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, from

time to time and Articles of Association of the Company, the consent of the Members of the Company be and is hereby accorded to re-designate Shri Saurabh Agarwal (DIN: 00005970), Whole-time Director of the Company, whose period of office will expire on 31st March, 2023, as a Non-Executive & Non-Independent Director of the Company, liable to retire by rotation with effect from 1<sup>st</sup> June, 2022

**RESOLVED FURTHER THAT** Shri Saurabh Agarwal, Non-Executive & Non Independent Director, will be eligible for payment of sitting fees, within the limits prescribed under Companies Act, 2013 and as approved by the Board of Directors of the Company, for attending the meetings of the Board of Directors and/or the Committees thereof.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall always have deemed to include any Committee as constituted or to be constituted by the Board to exercise its powers including the powers conferred under this resolution) be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

### 8. RE-APPOINTMENT OF SHRI SACHIN AGARWAL (DIN: 01188710) AS WHOLE-TIME DIRECTOR OF THE COMPANY:

**To consider and, if thought fit, to pass the following resolutions as a Special Resolution**

**"RESOLVED THAT** pursuant to the recommendation of Nomination & Remuneration Committee and approval of Board of Directors of the Company in their meeting held on 30<sup>th</sup> May, 2022, pursuant to the provisions of Sections 196, 197, 203 and all other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V thereto, the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, as amended, from time to time and Article of Association of the Company, Shri Sachin Agarwal (DIN : 01188710), Whole-time Director of the Company, whose period of office will expire on 31<sup>st</sup> March, 2023 and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013, be and is hereby re-appointed as Whole-time Director of the Company, liable to retire by rotation, for a further period of three years with effect from 1<sup>st</sup> April, 2023, at a monthly remuneration not exceeding ₹ 25 Lakhs, including perks and other benefits.

## NOTICE (Contd.)

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall always deemed to include any Committee as constituted or to be constituted by the Board to exercise its powers including the powers conferred under this resolution) shall, in accordance with the statutory limits/ approvals as may be applicable for the time being in force, be at full liberty to revise/alter/modify/amend the terms and conditions of the said appointment and/or remuneration, from time to time, in the manner and to the extent it deems appropriate, provided that such revision/ variation are in consonance provision of the Companies Act, 2013 read with Schedule V thereto, and/or any guidelines prescribed by the Government from time to time and/or other competent authority if any, as may be mutually agreed to between the Board of Directors and Shri Sachin Agarwal.

**RESOLVED FURTHER THAT** pursuant to the Section II of Part II to the Schedule V to the Companies Act, 2013 read in particular with the proviso to Paragraph (A), in case of inadequacy of profits or no profits in the Company in any financial year Shri Sachin Agarwal shall be paid the aforesaid remuneration as minimum remuneration.

**RESOLVED FURTHER THAT** pursuant to the Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, read with the provisions of the Companies Act, 2013 and Rules made thereunder and Schedule V thereto, consent of the Members be and is hereby accorded to the payment of aforementioned remuneration to Shri Sachin Agarwal, as Whole-time Director and (member of promoter group of the company) notwithstanding that the aforementioned annual remuneration is in excess of 5% of the net profit as calculated under the provision of Section 198 of the Companies Act, 2013 in any financial year during his tenure of appointment.

**RESOLVED FURTHER THAT** Shri Sachin Agarwal shall not be entitled to any sitting fee for attending meetings of the Board and/ or Committee(s) thereof.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

### 9. RE-APPOINTMENT OF SHRI MADHUSUDAN AGARWAL (DIN: 00338537) AS AN INDEPENDENT DIRECTOR OF THE COMPANY:

**To consider and, if thought fit, to pass the following resolutions as a Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV thereto and the Companies (Appointment and Qualifications of

Directors) Rules, 2014 as amended, from time to time, including any statutory modification(s) or re-enactment(s) thereof for the time being in force and Regulation 17 and other applicable regulation of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, (**"SEBI Listing Regulations"**) and in accordance with the Articles of Association of the Company and upon the recommendation of Nomination and Remuneration Committee and Board of Directors, and being eligible for re-appointment and meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations, consent of Members be and is hereby accorded to re-appoint Shri Madhusudan Agarwal (DIN : 00338537), who was appointed as Independent Director of the Company for a term of two consecutive years commencing from 22nd May, 2021 till 21<sup>st</sup> May, 2023 by the shareholders of the Company at their 27<sup>th</sup> Annual General Meeting, and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013, as Independent Director of the Company, not liable to retire by rotation, for the second term of 5 (five) consecutive years, which would be effective from the next day of expiry of his tenure i.e. w.e.f 22<sup>nd</sup> May, 2023 and will continue to hold office till 21<sup>st</sup> May, 2028."

**RESOLVED FURTHER THAT** Shri Madhusudan Agarwal, Independent Director, will be eligible for sitting fees, within the limits prescribed under Companies Act, 2013 and as approved by the Board of Directors of the Company, for attending the meetings of the Board of Directors or the Committees thereof.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall always deemed to include any Committee as constituted or to be constituted by the Board to exercise its powers including the powers conferred under this resolution), be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

### 10. TO APPOINT SMT. PRAVIN TRIPATHI (DIN: 06913463), AS AN INDEPENDENT WOMAN DIRECTOR OF THE COMPANY.

**To consider and, if thought fit, to pass the following resolutions as a Special Resolution:**

**"RESOLVED THAT** pursuant to and in compliance with the provisions of Sections 149, 150, 152, 160, 161 of the Companies Act, 2013 read with Schedule IV thereto, the Companies (Appointment and Qualification

## NOTICE (Contd.)

of Directors) Rules, 2014, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"SEBI Listing Regulations"**) and the other applicable provisions of these statutes and the applicable provisions of other applicable statutes, if any, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to the recommendation of the Nomination & Remuneration Committee, Smt. Pravin Tripathi (DIN: 06913463), who was appointed as an Additional Director in the category of Independent Woman Director of the Company with effect from 30<sup>th</sup> May, 2022 and in respect of whom a notice has been received from herself signifying her candidature for the office of an Independent Woman Director of the Company along with a declaration to the effect that she fulfills the criteria for independence as laid down under Section 149(6) of the Companies Act, 2013 read with Regulation 16(1)(b) of the SEBI Listing Regulations and a declaration to the effect that she is registered with the Independent Director databank maintained by the Indian Institute of Corporate Affairs (**"IICA"**) and is eligible for appointment as an Independent Woman Director and who will attain the age of 75 years during her tenure as Independent Woman Director in terms of the Regulation 17(1A) of the Listing Regulation, be and is hereby appointed as an Independent Director, not liable to retire by rotation, of the Company for a term of five consecutive years from the date of appointment i.e. 30<sup>th</sup> May, 2022 to 29<sup>th</sup> May, 2027 and will continue to be an Independent Director beyond the age of 75 years.

**RESOLVED FURTHER THAT** Smt. Pravin Tripathi, Independent Woman Director, will be eligible for sitting fees, within the limits prescribed under Companies Act, 2013 and as approved by the Board of Directors of the Company, for attending the meetings of the Board of Directors or the Committees thereof.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall always deemed to include any Committee as

constituted or to be constituted by the Board to exercise its powers including the powers conferred under this resolution), be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

### **11. RATIFICATION OF THE REMUNERATION PAYABLE TO THE COST AUDITORS FOR THE FINANCIAL YEAR 2022-23:**

**To consider and, if thought fit, to pass the following resolutions as a Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) the remuneration of ₹ 60,000/- (Rupees Sixty Thousand Only) plus taxes as applicable and reimbursement of out of pocket expenses at actuals, if any, as approved by the Audit Committee and the Board of Directors of the Company, payable to M/s K.G. Goyal & Associates, Cost Accountants, (Firm Registration No. 000024), Cost Auditors of the Company, for conducting the Cost Audit of the cost records of the Company under the Companies (Cost Records and Audit) Rules, 2014, for the FY 2022-23, be and is hereby ratified and approved."

**By order of The Board of Directors of  
Kamdhenu Limited**

Date : 30<sup>th</sup> May, 2022  
Place: Gurgaon

**Khem Chand**  
Company Secretary &  
Compliance Officer  
Membership No. F10065

**Registered Office:**

Kamdhenu Limited  
CIN: L27101HR1994PLC092205  
2nd Floor, Tower-A, Building No. 9, DLF Cyber City,  
Phase-III, Gurgaon - 122002 Haryana, India  
Telephone No.: 0124-4604500  
Email : [kamdhenu@kamdhenulimited.com](mailto:kamdhenu@kamdhenulimited.com)  
Website : [www.kamdhenulimited.com](http://www.kamdhenulimited.com)

## NOTICE (Contd.)

### NOTES:

1. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 ("**the Act**") setting out material facts concerning the business under Item No. 5 to 11 of the accompanying AGM Notice, is annexed hereto.
2. In view of COVID-19 pandemic, the Ministry of Corporate Affairs, Government of India ("**MCA**") issued General Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021, 19/2021, 21/2021 and 02/2022 dated 8<sup>th</sup> April 2020, 13<sup>th</sup> April 2020, 5<sup>th</sup> May 2020, 13<sup>th</sup> January 2021, 8<sup>th</sup> December 2021, 14<sup>th</sup> December 2021 and 5<sup>th</sup> May, 2022 respectively, ("**MCA Circulars**") and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12<sup>th</sup> May, 2020, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15<sup>th</sup> January, 2021 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13<sup>th</sup> May, 2022 (collectively referred as "**SEBI Circular**") (MCA Circulars and SEBI Circular collectively referred as "**Circulars**") allowing, inter-alia, conduct of AGMs through Video Conferencing/ Other Audio-Visual Means ("**VC/ OAVM**") facility on or before 31<sup>st</sup>, December, 2022. In compliance with these Circulars, provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**"), the 28<sup>th</sup> Annual General Meeting ("**AGM**") of the Company is being conducted through VC/ OAVM facility, which does not require physical presence of members at a common venue. The deemed venue for the 28<sup>th</sup> AGM shall be the Registered Office of the Company.
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 28<sup>th</sup> AGM. However, Institutional/Bodies Corporate Shareholders intending that their authorized representatives to attend AGM held through VC/OAVM, in pursuance of Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of the relevant resolution/ authorization, as passed by their Board of directors/ governing bodies, as the case may be, authorizing the representative(s) named therein to attend and vote on their behalf at the Meeting held through VC/OAVM, the specimen signature of such representative(s) being duly attested in the relevant resolution/authorization. The said Resolution Authorization shall be sent to the Scrutinizer by e-mail on its registered e-mail address to [shashikant@cacsindia.com](mailto:shashikant@cacsindia.com) and Company on [cs@kamdhenulimited.com](mailto:cs@kamdhenulimited.com) in terms of the provisions of Section 113 of the Act, for the purpose of voting through remote E-Voting and for participation in the 28<sup>th</sup> AGM through VC/ OAVM facility and E-Voting (InstaPoll) during the 28<sup>th</sup> AGM.
4. 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. Whereas M/s Mas Services Limited, a SEBI registered intermediary is appointed to provide a platform for convening the meeting through Video Conferencing; and 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.
5. In terms of the MCA Circulars, the Notice of the 28<sup>th</sup> AGM and Annual Financial Statements for the FY 2021-2022, will be available on the website of the Company at [www.kamdhenulimited.com](http://www.kamdhenulimited.com), on the website of NSE and BSE Limited at [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com) and also on the website of National Securities Depositories Limited ("**NSDL**") at [www.evoting.nsdl.com](http://www.evoting.nsdl.com). Since, the 28<sup>th</sup> AGM will be held through VC/ OAVM facility, the Route Map is not annexed in this Notice.
6. Members may join the 28<sup>th</sup> AGM through VC/ OAVM facility by following the procedure as mentioned below which shall be kept open for the members from 11:00 A.M. (IST) i.e. 30 minutes before the time scheduled to start the 28<sup>th</sup> AGM and the Company may close the window for joining the VC/ OAVM facility 15 minutes after the scheduled time to start the 28<sup>th</sup> AGM.
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 Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration

## NOTICE (Contd.)

- Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first-come-first-served basis.
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 Members and Share Transfer Books of the Company shall remain closed from Wednesday, 27<sup>th</sup> July, 2022 to Thursday, 28<sup>th</sup> July, 2022 (Both inclusive) for the purpose of payment of dividend, proposed to the Shareholders of the Company and AGM for FY 2021-22.
  10. 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@kamdhenulimited.com](mailto:cs@kamdhenulimited.com).
  11. Electronic copy of the Notice of this AGM along with the Annual Report for the FY 2021-2022 is being sent to all the members whose email addresses are registered with the RTA/ 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 FY 2021-2022 and Notice of this AGM of the Company, may send request to the Company's email address at [cs@kamdhenulimited.com](mailto:cs@kamdhenulimited.com) mentioning their Foilo No./ DP ID and Client ID.
  12. The Company has fixed Friday, 1<sup>st</sup> July, 2022 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.
  13. Members are requested to address all correspondence, to the Company, Kamdhenu Limited, 2<sup>nd</sup> Floor, Tower-A, Building No. 9A, DLF Cyber City, Phase III, Gurgaon-122002 Haryana and RTA, KFin Technologies Limited, Selenium Building, Tower B, Plot No. 31-32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad, Telangana – 500 032.
  14. 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 FY 2021-2022 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 webste 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@kamdhenulimited.com](mailto:cs@kamdhenulimited.com) or to the RTA at [einward.ris@kfin.com](mailto:einward.ris@kfin.com).
    - b. Members holding shares in demat mode may update the email address through their respective Depository Participant(s).
  15. The Securities and Exchange Board of India (SEBI) vide its circular no. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018, with a view to protect the interest of the shareholders, has mandated the submission of Permanent Account Number, KYC details (i.e., Postal Address with Pin Code, email address, mobile number, bank account details) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN details to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Registrar and Transfer Agent. The Securities and Exchange Board of India (SEBI) vide its circular no. SEBI/HO/MIRSD/DOS3/CIR/P/2019/30 dated February 11, 2019, decided to grant relaxation to Non-residents (NRIs, PIOs, OCIs and foreign nationals) from the requirement to furnish PAN and permit them to transfer equity shares held by them in the Company. Members may note that, in terms of the Listing Regulations equity shares of the Company can only be transferred in dematerialized form.
  16. As per Regulation 40 of SEBI Listing Regulations, as amended, and vide SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment



## NOTICE (Contd.)

- through Notification No. SEBI/ LAD NRO/GN/2018/49 dated November 30, 2018, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 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, KFin Technologies 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, KFin Technologies Limited, in case the shares are held in physical form.
17. 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 FY 2021-22 by email and holds shares as on the cut-off date i.e., Thursday 21st July, 2022, may obtain the User ID and password by sending a request to the Company Secretary at [cs@kamdhenulimited.com](mailto:cs@kamdhenulimited.com) and you may also write an email at [sm@massserve.com](mailto: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](http://www.evoting.nsdl.com).
  18. 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 28th 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. Thursday 21st July, 2022.
  19. During the 28th 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 vote cast by the members the e-Voting will be closed with the formal announcement of closure of the 28th AGM.
  20. 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.
  21. The Scrutinizer shall after the conclusion of e-Voting at the 28th 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 favor 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.kamdhenulimited.com](http://www.kamdhenulimited.com) and on the website of NSDL at [www.evoting.nsdl.com](http://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.
  22. 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 days before the date of meeting through email on [cs@kamdhenulimited.com](mailto:cs@kamdhenulimited.com). The same will be replied by the Company suitably.
  23. 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, in respect of the appointment of Statutory Auditors and Directors seeking appointment/ re-appointment at this AGM, forms an integral part of

## NOTICE (Contd.)

explanatory statement of the Notice of this AGM and Corporate Governance Report. Requisite declarations, consent, eligibility have been received from the Auditors and Directors seeking appointment/ re-appointment.

24. The Board of Directors has recommended final dividend of ₹ 1/- per equity share of ₹ 10/- each for the financial year ended 31<sup>st</sup> March, 2022 that is proposed to be paid within 30 days from the conclusion of 28<sup>th</sup> AGM, subject to the approval of the members at this AGM. The members appearing in the Register of members as on the closure of business hours on 26<sup>th</sup> July, 2022, shall be entitled for Dividend.
25. Pursuant to the provisions of the Income Tax Act, 1961 ("the IT Act"), dividend income is taxable in the hands of the members and the Company is required to deduct tax at source ("TDS") from dividend paid to the members at rates prescribed in the IT Act. In general, to enable compliance with TDS requirements, members are requested to complete and/ or update their Residential Status, PAN, Category as per the IT Act with their Depository Participant(s) or in case shares are held in physical form, with the Company by sending email to the Company's email address at [cs@kamdhenulimited.com](mailto:cs@kamdhenulimited.com).
26. Dividend, if approved by the members as recommended by the Board of Directors of the Company, will be paid as per the mandate registered with the Company or with their respective Depository Participant(s). Members holding shares in physical form, who have not updated their mandate for receiving the dividends directly in their bank accounts through Electronic Clearing Service or any other means ("Electronic Bank Mandate"), can register their Electronic Bank Mandate to receive dividends directly into their bank account electronically or any other means, by sending scanned copy of the following details/ documents to the Company at [cs@kamdhenulimited.com](mailto:cs@kamdhenulimited.com) latest by 30<sup>th</sup> July, 2022:
  - a signed request letter in prescribed form ISR-1 mentioning your name, folio number, complete address and following details relating to bank account in which the dividend is to be received:
    - i) Name and Branch of Bank and Bank Account type;
    - ii) Bank Account Number allotted by your bank after implementation of Core Banking Solutions and 11-digit IFSC Code.
  - self attested scanned copy of cancelled cheque bearing the name of the member or first holder, in case shares are held jointly;
  - self-attested scanned copy of the PAN Card and AADHAR Card/Driving License/Election Identity Card/Passport.
  - Address proof of the member, as registered with the Company.
  - Members holding shares in demat mode, may update their Electronic Bank Mandate through your Depository Participant(s).
27. In the event the Company is unable to pay the dividend to any Member directly in their bank accounts through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate or the dividend amount bounced back/returned to the dividend account, the Company will dispatch the dividend warrant/ Bankers' cheque/ demand draft to such Member, as soon as possible to their registered address with the Company.
28. Pursuant to the provisions of Section 124 of the Act, Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") read with the relevant circulars and amendments thereto, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund ("IEPF"), constituted by the Central Government. The Company will accordingly transfer the unpaid/ unclaimed dividend amounts for the FY 2014-15 to the IEPF on or before 28<sup>th</sup> October, 2022.
29. The Company has been sending reminders to members having unpaid/ unclaimed dividends before transfer of such dividend(s) to IEPF. Details of the unpaid/ unclaimed dividend are also uploaded on the website of the Company at [www.kamdhenulimited.com](http://www.kamdhenulimited.com).
30. Pursuant to the provisions of IEPF Rules, all shares in respect of which dividend has not been paid or claimed for seven consecutive years shall be transferred by the Company to the designated Demat Account of the IEPF Authority ("IEPF Account") within a period of thirty days of such shares becoming due to be transferred to the IEPF Account. Accordingly, 25,999 equity shares of ₹ 10/- each on which the dividend remained unpaid/ unclaimed for seven consecutive years, were transferred to the IEPF Account as on 31<sup>st</sup> March, 2022, after following the procedure prescribed. Further, Members who have not claimed/ encashed their dividends in the last seven consecutive years from 2014-2015 are advised to claim the same. In case valid claim is not received, the Company will proceed to transfer the respective shares

## **NOTICE (Contd.)**

to the IEPF Account in accordance with the prescribed procedure under the IEPF Rules.

31. 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.
32. General Instruction for accessing and participation in the 28<sup>th</sup> 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 Monday, 25<sup>th</sup> July 2022 (09:00 A.M. IST) and end on Wednesday 27<sup>th</sup> July, 2022 (5:00 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., Thursday 21<sup>st</sup> July, 2022, 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 28<sup>th</sup> 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. Thursday 21<sup>st</sup> July, 2022.

### **II. Instructions for Members for participating in the 28<sup>th</sup> AGM through VC/ OAVM are as under:**

- The members will be provided with a facility to attend the 28<sup>th</sup> AGM through VC/ OAVM through the NSDL e-Voting system. Members may access the same by following the steps mentioned below 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.
- 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@kamdhenulimited.com](mailto:cs@kamdhenulimited.com) at least 72 hours in advance before the start of the meeting i.e. by

## NOTICE (Contd.)

Monday, 25th July, 2022 by 11:30 A.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.

- When a pre-registered speaker is invited to speak at the meeting, but he/ she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good internet speed.
- The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, to ensure the smooth conduct of the 28<sup>th</sup> AGM.
- Institutional Investors who are members of the Company, are encouraged to attend and vote in the 28<sup>th</sup> AGM through VC/ OAVM facility.
- 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
<b>Shri Khem Chand</b> Company Secretary & Compliance Officer Kamdhenulimited	0124-4605534 cs@kamdhenulimited.com
<b>Shri Sharwan Mangla</b> 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 9<sup>th</sup> 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.

**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"><li>1. If you are already registered for <b>NSDL IDeAS facility</b>, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the <b>"Beneficial Owner"</b> icon under "Login" which is available under <b>"IDeAS"</b> section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services.</li><li>2. Click on "Access to e-Voting" under e-Voting services and you will be able to see e- Voting page. Click on options available against company name or <b>e-Voting service provider – NSDL</b> and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li><li>3. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS" Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li></ol>

## NOTICE (Contd.)

Type of shareholders	Login Method
	<ol style="list-style-type: none"> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> 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.</li> <li>A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held 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.</li> <li>Click on options available against company name or <b>e-Voting service provider - NSDL</b> 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 &amp; voting during the meeting.</li> </ol>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, can login through their user id and password. The option will be made available to reach the e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the e-Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
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. Once login, you will be able to see e-Voting option. Once you 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 options available against company name or <b>e-Voting service provider-NSDL</b> 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 the above-mentioned 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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> 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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43

## NOTICE (Contd.)

### B) Login Method 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 e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
4. **the EVEN for the AGM is 120284**
5. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
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*****.
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*****.
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 120284 then user ID is 120284001****

6. 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.
7. 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](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://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](mailto: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.

## NOTICE (Contd.)

8. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
9. Now, you will have to click on "Login" button.
10. 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.**

If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered:**

#### **How to 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 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 General 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 representative.
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.nsd.com](http://www.evoting.nsd.com) to reset the password.

3. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsd.com](http://www.evoting.nsd.com) or call on toll-free no.: 1800 1020 990 and 1800224430 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

#### **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password & registration of email 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@kamdhenulimited.com](mailto:cs@kamdhenulimited.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@kamdhenulimited.com](mailto:cs@kamdhenulimited.com). If you are 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 the virtual meeting for Individual shareholders holding securities in Demat mode.**
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto: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.

## NOTICE (Contd.)

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.

### **INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

- i. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
- ii. Members are encouraged to join the Meeting through Laptops for better experience.
- iii. Further Members will be required to allow Camera and use the Internet with a good speed to avoid any disturbance during the meeting.
- iv. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop 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 kind of aforesaid glitches.
- v. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [cs@kamdhenulimited.com](mailto:cs@kamdhenulimited.com). The same will be replied by

the Company suitably.

### **EXPLANATORY STATEMENT**

The following Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") sets out all material facts relating to the business mentioned at Item Nos. 5, 6, 7, 8, 9, 10 & 11 of the accompanying Notice dated 30<sup>th</sup> May, 2022. Further, for Item No. 4 the explanatory statement is being provided pursuant to the Regulation 36(5) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ("**SEBI Listings Regulations**")

#### **Item no. 4:**

M/s. B S D & Co., Chartered Accountants, were appointed as Statutory Auditors of the Company at the 23rd Annual General Meeting ('AGM') held on 29th September, 2017 for a period of 5 years, up to the conclusion of 28<sup>th</sup> AGM, so as to conduct the audit for the FY 2017-18 to FY 2021-22, in terms of provisions of Section 139 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, as amended. Accordingly, M/s B S D Co., Chartered Accountants, will be holding office of Statutory Auditor till the conclusion of ensuing 28th Annual General Meeting and hence, would retire at the conclusion of the 28th AGM completing their first term. It would be pertinent to mention here that the M/s B S D Co., Chartered Accountants, has showed their unwillingness for being re-appointment for the second terms of 5 consecutive years in view of pre-occupation. Accordingly, in terms of the provisions of the Companies Act, 2013 and pursuant to the recommendation made by the Audit Committee, the Board of Directors has been proposing M/s S.S. Kothari Mehta & Company, Chartered Accountants, Firm Registration No. 000756N, to be appointed as Statutory Auditors of the Company, for a period of 5 years, commencing from the conclusion of 28<sup>th</sup> Annual General Meeting till the conclusion of 33<sup>rd</sup> Annual General Meeting of the Company in place of retiring Auditor.

M/s S.S. Kothari Mehta & Company, Chartered Accountants, Firm Registration No. 000756N, have consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under Section 141(3) (g) of the Act. They have further confirmed that they are not disqualified to be appointed as statutory auditors in terms of the provisions of to Section 139(1), 141(2) and 141(3) of the Act and relevant rules made there under.

#### ***The details as required under Regulation 36(5) of SEBI Listing Regulations are as under:***

#### **Proposed Remuneration/Fees payable to Statutory Auditor:**

The remuneration proposed to be paid to the Statutory Auditors



## NOTICE (Contd.)

shall be commensurate with the services to be rendered by them during the said tenure.

The Board of Directors in consultation with the Audit Committee may alter and vary the terms and conditions of the appointment, including remuneration, in such manner and to such extent as may be mutually agreed between M/s S.S. Kothari Mehta & Company, Chartered Accountants, Firm Registration No. 000756N and the Board of Directors of the Company.

**Term of Appointment:** 5 years from the conclusion of the 28th Annual General Meeting till the conclusion of 33rd Annual General Meeting of the Company.

### **Brief Profile and Credentials of Statutory Auditor:**

*M/s S.S. Kothari Mehta & Company (SSKM or the firm) is a chartered accountant firm having 15 partners. SSKM was established in 1953 by Late Sh. S.S Kothari. Its main office is at New Delhi. Shri K S Mehta is the managing partner of SSKM. The firm is empanelled with CAG, RBI, IRDA etc. The firm has wide presence with offices in all four regions of India. They have various large, medium & MNCs as clients across industry sectors i.e., Cement, Power, Engineering, Textile, Sugar, Construction, Banking and Financial Sector.*

The Board of Directors recommends the appointment of M/s. S.S. Kothari Mehta & Company, Chartered Accountants, Firm Registration No. 000756N, as the Statutory Auditors of the Company for a term of five consecutive years, as set out at the Item No. 4 of the Notice for approval by the Members by way of a Special Resolution.

None of the Directors, Key Managerial Personnel of the Company or their relatives has any concern or interest, financially or otherwise, in this resolution.

### **Item No. 5**

The Shareholders of the Company at their 25th Annual General Meeting held on 30th September, 2019, had approved the re-appointment of Shri Satish Kumar Agarwal as Chairman & Managing Director of the Company, liable to retire by rotation, for a period of 3 (Three) years commencing from 1<sup>st</sup> April, 2020 to 31<sup>st</sup> March, 2023.

Upon the recommendation of Nomination and Remuneration Committee, the Board of Directors, subject to the approval of shareholders, in their meeting held on 30<sup>th</sup> May, 2022 has re-appointed Shri Satish Kumar Agarwal as Chairman & Managing Director, liable to retire by rotation, for a further period of three years, which would be commencing from the next day of expiry of current term i.e. from 1st April, 2023 and

till 31<sup>st</sup> March, 2026, on such remuneration, as set out at Item no. 5 of the Notice.

Further, with respect to the re-appointment of Shri Satish Kumar Agarwal as Chairman & Managing Director, liable to retire by rotation, the Company has received the following documents:

- a) Notice in writing under Section 160 of the Companies Act, 2013;
- b) Consent to act as director of the Company, in the stipulated form DIR-2;
- c) Disclosure in terms of Section 164 of the Companies Act, 2013, in form DIR-8, stating that he is not disqualified for holding office of Chairman & Managing Director (CMD) in the Company, if appointed as CMD;
- d) Declaration in terms of Circulars No. NSE/CML/2018/24 issued by NSE and LIST/COMP/14/2018-19 issued by BSE dated June 20, 2018 stating that he is not debarred/restrained for being re-appointed or for holding the office of director in the Company by virtue of any order issued by SEBI or any other competent authority.

The re-appointment of Shri Satish Kumar Agarwal as a rotational director, as set out at Item No. 3, shall be deemed to be a continuation of his appointment by the Board of Directors, as the Chairman & Managing Director

In the event of any inadequacy or absence of profits in any financial year the remuneration payable to him would be the same as mentioned in the resolution, as set out at item No. 5 and the validity of this resolution shall be as per Section II Part II of the Schedule V to the Companies Act, 2013.

Accordingly, the following information may also be taken note of with regard to the appointment/remuneration of Shri Satish Kumar Agarwal in terms of Schedule V of the Act and in compliance with the 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.

### **A. General Information**

#### **I. Nature of Industry:**

The Company is engaged in the business of manufacturing of Steel and TMT Bars through own manufacturing unit and also through Franchisee model since September, 1994. The Company has been also forayed into the business of Paint and other

## NOTICE (Contd.)

allied Paints products in the month of August, 2008.

### II. **Date of commencement of commercial production:**

The Company's operation for manufacturing the Steel and TMT bars is in operation since September, 1994 and the manufacturing of Paint products were commenced since August, 2008.

### III. **In case of new companies expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:**

Not Applicable

### IV. **Financial indicators:**

Set out in detail in the financial statements (Standalone and Consolidated) which form part of the Annual Report being sent to the members.

### V. **Foreign investments or collaborations, if any:**

The Company has not made any Foreign Investments and neither entered into any collaborations, nor have any Foreign Direct Investment in the Company.

## B. **Information about the Appointee**

### I. **Background details:**

Shri Satish Kumar Agarwal, Chairman & Managing Director is a Gold Medalist in B.E. (Mech.) from Banaras Hindu University and also a founder of Kamdhenu Conglomerate. He has extensive Industrial Experience more than a 5 decades and has also played pivotal role in the success of the Kamdhenu Group.

He founded the Kamdhenu Limited, in the year of 1994, with a single unit for manufacturing of HSD Bars at Bhiwadi (Rajasthan) and by his vision, guidance and leadership, the Company has introduced the franchisee business model, which proved to be a resounding success and marked their presence all over India through franchisee units and also gained a well-deserved place among the largest manufacturers of International quality Steel bars in India.

He has closely witnessed the phenomenal growth of the Kamdhenu Group which is result of his tremendous entrepreneurial and leadership skills. He has been the driving force behind the growth and expansion of the Kamdhenu Group. His

understanding and sharp business acumen has been instrumental in evolving growth strategies and thereby significantly contributing to the implementation of expansion & diversification plans in different business verticals.

### II. **Past Remuneration:**

During the FY 2021-22, Shri Satish Kumar Agarwal was paid managerial remuneration of ₹ 2,29,00,000/- (Rupees Two Crore and Twenty Nine Lakhs)

### III. **Recognition or Awards:**

Under the dynamic leadership of Shri Satish Kumar Agarwal & Shri Sachin Agarwal, the Company has been winning awards year on year. The notable awards won are:

- World's Greatest Brands 2015 amongst Asia & GCC.
- Asia's Most Promising Brand 2015-16 by World Consulting & Research Corporation.
- Indian Power Brand 2016 & 2019-20 Award.
- World's Greatest Brands 2017-18 amongst Asia & GCC.
- Extraordinaire 2020-2022 Icon of Trust.

**IV. Job profile and his suitability:** Shri Satish Kumar in the capacity as the Chairman & Managing Director will be driving all the operations and policy decisions, visions and strategy and long term development activities of the Company in relation to the business operation and shall have substantial powers of management subject to superintendence, control and direction of the Board of Directors. He has been instrumental in taking the Company from strength to strength to its present position. The Company has made enormous progress under the stewardship of Shri Satish Kumar Agarwal and his visionary step for making the Kamdhenu Brand as the most respected and reliable brands, amongst the best in the Indian markets.

**V. Remuneration Proposed:** Not exceeding ₹ 30,00,000/- (Rupees Three Crore) per annum w.e.f 1<sup>st</sup> April, 2023.

**VI. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):**

Given the size of the Company, the Industry in which the Company is engaged and the fact

## **NOTICE (Contd.)**

that the functional and business responsibility of the Company, would entirely be on Shri Satish Kumar Agarwal as Chairman & Managing Director. Accordingly, the remuneration proposed to be paid to him is at par with the norm in the industry.

The Nomination and Remuneration Committee of the Company at its meeting held on 30th May, 2022, based on the experience of Shri Satish Kumar Agarwal and his responsibilities, complex business operations, industry benchmark and size of the Company, considered and justify the payment of said proposed remuneration.

### **VII. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel or other director, if any.**

Besides the remuneration proposed and Shareholding, Shri Satish Kumar Agarwal does not have any pecuniary relationship with the Company. Shri Satish Kumar Agarwal, Chairman & Managing Director is brother of Shri Sunil Kumar Agarwal and father of Shri Sachin Agarwal and Shri Saurabh Agarwal, Directors of the Company.

### **C. Other Information:**

#### **I. Reasons of loss or inadequate profits:**

The Company is profits making entity. However, the appointment is for a term of three years commencing 1<sup>st</sup> April, 2023 and the future trend in the profitability will largely depend on business environment in the domestic markets, cost of inputs and general state of economy as a whole. Therefore, the limits specified under Section 197(1) read with Schedule V of the Companies Act 2013 and the Listing Regulations, may exceed during the term of appointment.

#### **II. Steps taken or proposed to be taken for improvement and expected increase in productivity and profits in measurable terms:**

The Company has been earning profits in the past consistently. The Company is in process

of implementing the Scheme of Arrangement, wherein the Paint Business of the Company shall get demerged and thereafter the Company will carry on with the Steel Business with more focus and in competitive way. The Company is planning to increase its franchisee business and also planning to increase its capacity from 38 lakh MTPA to 50 Lakh MTPA through franchisee model.

However, for improving the financial position of the Company and to minimize impact of COVID-19 pandemic and other factors which could affect the financial position of the Company, several steps have been taken by the Company including expansion of production capacity of Steel Products through franchisee route to 50 lakh MTPA, which is in addition of the Company's own manufacturing unit i.e. 120 lakh MTPA. The Company also further intensified its efforts for further improvement in the operating parameters, optimum utilization of working capital, conservation of energy, rationalization of product mix, cutting down on overheads, etc. to ensure that the Company stays on the course of sustainable growth trajectory and profitability.

The Company has earned the PAT of ₹ 26.30 Crore during FY 2021-22 and Company is expected to do well in the subsequent years.

### **D. Other Disclosures**

#### **I. Disclosures with respect to Corporate Governance Report.**

The disclosures as required on all elements of remuneration package such as salary, benefits, bonuses, pensions, details of fixed components and performance linked incentives along with performance criteria, service contract details, notice period, severance fees, etc. have been made in the Corporate Governance Report, attached to in this Annual Report.

#### **II. Disclosure as per Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Secretarial Standards Issued by ICSI.**

## NOTICE (Contd.)

<b>Name of Director</b>	<b>Shri Satish Kumar Agarwal</b>
<b>Date of First Appointment</b>	12.09.1994
<b>Age</b>	72 Years
<b>Terms and Conditions of appointment/re-appointment</b>	Re-appointment as Chairman & Managing Director of the Company for the further period of 3 (three) years w.e.f. 1st April, 2023 and liable to retire by rotation in terms of Section 152, 196, 197 and 203 of the Companies Act, 2013.
<b>Shareholding in the Company as on 31st March, 2022</b>	16,47,742 Equity Shares of having face value of ₹ 10/- each.
<b>Number of Meeting attended during the year</b>	Details w.r.t. the number of Board and Committee meetings attended by Shri Satish Kumar Agarwal has been provided in Corporate Governance Report.
<b>Names of listed entities in which they also holds the directorship and the membership of Committees of the board along with listed entities from which they has resigned in the past three years.</b>	Shri Satish Kumar Agarwal is Chairman & Managing Director of Kamdhenu Limited Details of Committee is depicted below: CSR Committee – Kamdhenu Limited Risk Management Committee - Kamdhenu Limited Shri Satish Kumar Agarwal has not resigned from any Listed Entity in preceding three years..
<b>Directorships other than listed Company as on March 31, 2022</b>	- Kamdhenu Paint Industries Limited - Kamdhenu Overseas Limited - Kamdhenu Concast Limited - Kamdhenu Infradevelopers Limited
<b>Stock Option</b>	No stock options granted during the FY 2021-22

During the tenure of his employment, he shall devote his sufficient time to discharge his duties to the Company diligently and to the best of his abilities and shall in all respects comply with the Company's Code of Business Conduct and other Policies and Procedures.

His re-appointment as Chairman & Managing Director of the Company, liable to retire by rotation, in terms of resolution set out at item no. 5 shall be deemed to be in continuation of his current tenure appointment as the Chairman & Managing Director of the Company, if approved by the members.

Keeping in view that Shri Satish Kumar Agarwal has attained the age of 72 years and for over a 3 decades he has been involved in the operations of the Company, it would be in the interest of the Company to continue the employment of Shri Satish Kumar Agrawal as Chairman & Managing Director beyond the age of 72 years. Accordingly, approval of members by way of a Special Resolution is also sought under section 196(3) of the Companies Act, 2013.

Approval of member is also sought in terms of Regulation 17(6) (e) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as amended, for the remuneration payable to him (as set out in resolution mentioned at Item No 5) in excess of 5% of Net Profit calculated under the provision of Section 198 of the Companies Act, 2013 in any financial year during his tenure of appointment.

Further, in terms of the provisions of Sections 196, 197, 198 and 203 of the Companies Act, 2013 read with Schedule V to the Act, wherever applicable, the Board of Directors recommends the resolutions as set out at item no. 5 of this Notice, for approval of the members by way of a Special Resolution.

None of the Directors or KMP of the Company except Shri Satish Kumar Agarwal, Shri Sunil Kumar Agarwal, Shri Saurabh Agarwal and Shri Sachin Agarwal or their respective relatives is concerned or interested financially or otherwise in the Resolution at Item No. 5 of the accompanying Notice.

### Item No. 6

The Shareholders of the Company at their 25th Annual General Meeting held on 30th September, 2019, had approved the re-appointment of Shri Sunil Kumar Agarwal (DIN : 0005973) as Whole-time Director of the Company, liable to retire by rotation, for a period of 3 (Three) years commencing from 1<sup>st</sup> April, 2020 to 31<sup>st</sup> March, 2023.

Upon the recommendation of Nomination and Remuneration Committee, the Board of Directors, subject to the approval of shareholders, in their meeting held on 30th May, 2022 has re-appointed Shri Sunil Kumar Agarwal as Whole-time Director, liable to retire by rotation, for a further period of three years, which would be commencing from the next day of expiry of current term i.e. from 1<sup>st</sup> April, 2023 and till 31<sup>st</sup> March, 2026, on such remuneration and other terms and conditions of his appointment, as set out at Item no. 6 of the Notice.

## NOTICE (Contd.)

Further, with respect to the re-appointment of Shri Sunil Kumar Agarwal as Whole-time Director, liable to retire by rotation, the Company has received the following documents:

- a) Notice in writing under Section 160 of the Companies Act, 2013;
- b) Consent to act as director of the Company, in the stipulated form DIR-2;
- c) Disclosure in terms of Section 164 of the Companies Act, 2013, in form DIR-8, stating that he is not disqualified for holding office of Whole-time Director (WTD) in the Company, if appointed as WTD;
- d) Declaration in terms of Circulars No. NSE/CML/2018/24 issued by NSE and LIST/COMP/14/2018-19 issued by BSE dated June 20, 2018 stating that he is not debarred/restrained for being re-appointed or for holding the office of director in the Company by virtue of any order issued by SEBI or any other competent authority.

In the event of any inadequacy or absence of profits in any financial year the remuneration payable to him would be the same as mentioned in the resolution, as set out at item No. 6 and the validity of this resolution shall be as per Section II Part II of the Schedule V to the Companies Act, 2013.

Accordingly, the following information may also be taken note of with regard to the appointment/remuneration of Shri Sunil Kumar Agarwal in terms of Schedule V of the Act and in compliance with the 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.

### A. GENERAL INFORMATION

#### I. Nature of Industry:

The Company is engaged in the business of manufacturing of Steel and TMT Bars through own manufacturing unit and also through Franchisee model since September, 1994. The Company has been also forayed into the business of Paint and other allied Paints products in the month of August, 2008.

#### II. Date of commencement of commercial production:

The Company's operation for manufacturing the Steel and TMT bars is in operation since September, 1994 and the manufacturing of Paint products were commenced since August, 2008.

### III. In case of new companies expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not Applicable

### IV. Financial indicators:

Set out in detail in the financial statements (Standalone and Consolidated) which form part of the Annual Report being sent to the members.

### V. Foreign investments or collaborations, if any:

The Company has not made any Foreign Investments and neither entered into any collaborations, nor have any Foreign Direct Investment in the Company.

## B. INFORMATION ABOUT THE APPOINTEE

### I. Background details:

Shri Sunil Kumar Agarwal is among the founder members of Kamdhenu Limited, who has 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. He achieved his B.E. (Chemical) from HBTI Kanpur, having vast experience of over 33 years in Steel Industry 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 brand through franchisee alliance with the competent companies in the regional steel market and he has also made valuable contribution by identifying units involved in manufacture of TMT Bars thereby making Kamdhenu Group one of the largest TMT manufacturers in India.

With his keen understanding of the market dynamics, Shri Sunil Kumar Agarwal has been shepherded the growth of the Company within the Indian Steel Industry. He has mobilized the performing steel products manufacturing units across the country into joining hands with Kamdhenu Group and which has resulted into gaining better market foothold in the steel sector.

## NOTICE (Contd.)

### II. Past Remuneration:

During the FY 2021-22, Shri Sunil Kumar Agarwal was paid managerial remuneration of ₹ 2,26,00,000/- (Rupees Two Crore and Twenty Six Lakhs)

### III. Recognition or Awards:

Shri Sunil Kumar Agarwal has been winning awards year on year. The notable awards won by him are:

- India Greatest Leaders 2015-16 & 2017-17 – Asia one.
- Worlds' Greatest Leaders 2015 amongst Asia & GCC.
- Brand Vision Summit 2017-18 by Consumers & Industry.

### IV. Job profile and his suitability: overall control and supervision of the operations and branding, promotions and marketing activities of the Company subject to and in coordination with the Chairman of the Company and the Board of Directors of the Company.

### V. Remuneration Proposed: Not exceeding ₹ 30,000,000/- (Rupees Three Crore) per annum w.e.f 1<sup>st</sup> April, 2023.

### VI. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):

The remuneration payable has been benchmarked with the remuneration being drawn by peers in similar capacity in similar companies of comparable size in the steel sector and has been considered by the Nomination and Remuneration Committee of the Company at its meeting held on 30th May, 2022. The profile of Shri Sunil Kumar Agarwal, his responsibilities, complex business operations, industry benchmark and size of the Company justify the payment of said remuneration with the remuneration packages paid to their similar counterparts in other companies.

### VII. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel or other director, if any.

Besides the remuneration proposed and Shareholding, Shri Sunil Kumar Agarwal does not have any pecuniary relationship with the Company.

Shri Sunil Kumar Agarwal, Whole-time Director is brother of Shri Satish Kumar Agarwal and also related to Shri Sachin Agarwal and Shri Saurabh Agarwal, Directors of the Company.

### C. OTHER INFORMATION:

#### I. Reasons of loss or inadequate profits:

The Company is profit making entity. However, the appointment is for a term of three years commencing 1st April, 2023 and the future trend in the profitability will largely depend on business environment in the domestic markets, cost of inputs and general state of economy as a whole. Therefore, the limits specified under Section 197(1) read with Schedule V of the Companies Act 2013 and the Listing Regulations, may exceed during the term of appointment.

#### II. Steps taken or proposed to be taken for improvement and expected increase in productivity and profits in measurable terms:

The Company has been earning profits in the past consistently. The Company is in process of implementing the Scheme of Arrangement, wherein the Paint Business of the Company shall get demerged and thereafter the Company will carry on with the Steel Business with more focus and in competitive way. The Company is planning to increase its franchisee business and also planning to increase its capacity from 38 lakh MTPA to 50 Lakh MTPA through franchisee model.

However, for improving the financial position of the Company and to minimize impact of COVID-19 pandemic and other factors which could affect the financial position of the Company, several steps have been taken by the Company including expansion of production capacity of Steel Products through franchisee route to 50 lakh MTPA, which is in addition of the Company's own manufacturing unit i.e. 120 lakh MTPA. The Company also further intensified its efforts for further improvement in the operating parameters, optimum utilization of working capital, conservation of energy, rationalization of product mix, cutting down on overheads, etc. to ensure that the Company stays on the course of sustainable growth trajectory and profitability.

The Company has earned the PAT of ₹ 26.30 Crore during FY 2021-22 and Company is expected to do well in the subsequent years.

## NOTICE (Contd.)

### D. OTHER DISCLOSURES

#### I. Disclosures with respect to Corporate Governance Report.

The disclosures as required on all elements of remuneration package such as salary, benefits, bonuses, pensions, details of fixed components and performance linked incentives along with

performance criteria, service contract details, notice period, severance fees, etc. have been made in the Corporate Governance Report, attached to in this Annual Report.

#### II. Disclosure as per Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Secretarial Standards Issued by ICSI.

<b>Name of Director</b>	<b>Shri Sunil Kumar Agarwal</b>
<b>Date of First Appointment</b>	01.01.2003
<b>Age</b>	64 Years
<b>Terms and Conditions of appointment/re-appointment</b>	Re-appointment as Whole-time Director of the Company for the further period of 3 (three) years w.e.f. 1st April, 2023 and liable to retire by rotation in terms of Section 152, 196, 197 and 203 of the Companies Act, 2013.
<b>Inter-se relationship between Director/Manager and other KMPs</b>	18,45,572 Equity Shares of having face value of ₹ 10/- each.
<b>Inter-se relationship between Director/Manager and other KMPs</b>	Shri Sunil Kumar Agarwal is brother of Shri Satish Kumar Agarwal, CMD and is also related to Shri Saurabh Agarwal and Shri Sachin Agarwal, Directors of the Company.
<b>Number of Meeting attended during the year</b>	Details w.r.t. the number of Board and Committee meetings attended by Shri Sunil Kumar Agarwal has been provided in Corporate Governance Report.
<b>Names of listed entities in which they also holds the directorship and the membership of Committees of the board along with listed entities from which they has resigned in the past three years.</b>	Shri Sunil Kumar Agarwal is Whole-time Director of Kamdhenu Limited Details of Committee is depicted below: <b>Audit Committee – Kamdhenu Limited</b> <b>CSR Committee – Kamdhenu Limited</b> <b>Risk Management Committee - Kamdhenu Limited.</b> Shri Sunil Kumar Agarwal has not resigned from any Listed Entity in preceding three years.
<b>Directorships other than listed Company as on 31st March, 2022</b>	<ul style="list-style-type: none"> <li>- Radhey Bio. Tech Private Limited</li> <li>- Kamdhenu Paint Industries Limited</li> <li>- Kamdhenu Concast Limited</li> <li>- Kamdhenu Metallic Industries Limited</li> <li>- Kamdhenu Color and Coatings Limited</li> <li>- Kay2 Steel Limited</li> <li>- Kamdhenu Ventures Limited</li> <li>- Kamdhenu Infradevelopers Limited</li> <li>- Kamdhenu Global Alliance Limited</li> <li>- Kamdhenu Jeevandhara Foundation</li> </ul>
<b>Stock Option</b>	No stock options granted during the FY 2021-22

## NOTICE (Contd.)

During the tenure of his employment, he shall devote his sufficient time to discharge his duties to the Company diligently and to the best of his abilities and shall in all respects comply with the Company's Code of Business Conduct and other Policies and Procedures.

Further, in terms of the provisions of Sections 196, 197, 198 and 203 of the Companies Act, 2013 read with Schedule V to the Act, the Board of Directors recommends the resolutions as set out at item no. 6 of this Notice, for approval of the members by way of a Special Resolution.

Approval of member is also sought in terms of Regulation 17(6) (e) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as amended, for the remuneration payable to him (as set out in resolution mentioned at Item No 6) which is in excess of 5% of Net Profit calculated under the provision of Section 198 of the Companies Act, 2013 in any financial year during his tenure of appointment.

None of the Directors or KMP of the Company except Shri Satish Kumar Agarwal, Shri Sunil Kumar Agarwal, Shri Saurabh Agarwal and Shri Sachin Agarwal or their respective relatives is concerned or interested financially or otherwise in the Resolution at Item No. 6 of the accompanying Notice.

### Item No. 7 .

Shri Saurabh Agarwal (DIN: 00005970) was appointed as Whole-time Director, liable to retire by rotation, for a period of three years commencing from 1st April, 2020 to 31st March, 2023, by the Members of the Company at their 25th Annual General Meeting of the Company held on 30th September, 2019.

In 2008, the Company has forayed into the business of Decorative Paints and Shri Saurabh Agarwal, being a Whole-time Director, was devoting his entire time for expanding the Paint Business to the new heights and under his supervision, guidance and directions the business of Decorative Paints commands a stronghold in the vast rural Indian hinterland. As of now the Company has set up the prominence across 33 units across all over India and as the Company is in process to hive-off the Paint segment to have a better scope for Independent growth of Steel & Paint Business separately through implementing the Scheme of Arrangement for demerging the paint business of the Company.

Upon the restructuring and reorganizations of both the businesses of the Kamdhenu Limited as mentioned in Scheme of Arrangement, the Business of Paint Division will be transferred to Kamdhenu Colour and Coatings Limited, a Wholly Owned Subsidiary of Kamdhenu Ventures Limited , which is in turn a wholly owned subsidiary of the Company.

In order to be engaged himself fulltime into the Paint Business and in view of his appointment as Managing Director in Kamdhenu Ventures Limited proposed to be listed on Stock Exchanges i.e. NSE and BSE and Kamdhenu Colour and Coating Limited, a subsidiary of Kamdhenu Ventures Limited. It would be pertinent to mention here that pursuant to provision of Section 203 of the Companies Act, 2013 no person shall hold or keep holding any position as Whole-Time Key Managerial Personnel in more than one Company, except subsidiary. Accordingly, Shri Saurabh Agarwal has relinquished all his entitlements as Whole-time Director in the Company.

Upon the recommendation of Nomination and Remuneration Committee, the Board of Directors has considered that his association in Kamdhenu Ventures Limited and Kamdhenu Colour and Coatings Limited, a subsidiary of Kamdhenu Ventures Limited, as Managing Director would be more beneficial for the Paint Business and also keeping in view of his experience and time devoted to the Company for more than 20 exhilarating years as Whole-time Director, it was decided to re-designate him as Non-Executive & Non-Independent Director of the Company, liable to retire by rotation with effect from 1st June, 2022 to avail his expertise for the Company also.

Shri Saurabh Agarwal shall be entitled for the all such benefits, which are being taken by the other Non-Executive Directors on the Board of the Company, including sitting fees, as permissible under Companies Act, 2013 and as approved by the Board of Directors of the Company from time to time.

Further with respect to the re-designation of Shri Saurabh Agarwal as Non-Executive, & Non-Independent Director, liable to retire by rotation, the Company has received the following documents:

- a) Notice in writing under Section 160 of the Companies Act, 2013 proposing himself for re-designating as Non-Executive, Non-Independent Director;
- b) Consent to act as director of the Company, in the stipulated form DIR-2;
- c) Disclosure in terms of Section 164 of the Companies Act, 2013, in form DIR-8, stating that he is not disqualified for holding office of Director in the Company;
- d) Declaration in terms of Circulars No. NSE/CML/2018/24 issued by NSE and LIST/COMP/14/2018-19 issued by BSE dated June 20, 2018 stating that he is not debarred/restrained for being re-appointed or for holding the office of director in the Company by virtue of any order issued by SEBI or any other competent authority.



## NOTICE (Contd.)

Brief profile and other details, in compliance with the 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:

<b>Name of Director</b>	<b>Shri Saurabh Agarwal</b>
<b>Date of First Appointment</b>	01.01.2003
<b>Experience (including expertise in specific functional area)/ Brief Resume</b>	<p>Shri Saurabh Agarwal is a dynamic entrepreneur having technical expertise in plant operations. Shri Saurabh Agarwal has been in association with Kamdhenu Limited since 1998, after completing B.E.(Mech.) from R.V. College of Engineering, Bengaluru. By dint of his hard work and extraordinary innovative wisdom, he has made rapid growth within the Company by earning the position of Whole Time Director and since then, he has been a mentor to the Kamdhenu Group.</p> <p>He has been instrumental in diversifying into paints business with a state-of-the-art manufacturing unit in Chopanki, Rajasthan in year 2007. The Company takes pride in being one of the largest manufacturer of decorative paints having Pan India presence. Ambitious and energetic, Shri Saurabh Agarwal avows for growth of brand Kamdhenu and envisions to make it a well-known international brand in few year time.</p>
<b>Age</b>	47 Years
<b>Qualification</b>	B.E.(Mech.) from R.V. College of Engineering, Bengaluru.
<b>Terms and Conditions of appointment/re-appointment</b>	Re-designation as Non-Executive & Non-Independent Director, liable to retire by rotation in terms of Section 149, 152, and other applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015.
<b>Past Remuneration drawn</b>	₹ 2.23 Crore per annum (FY 2021-22)
<b>Shareholding in the Company as on 31st March, 2022</b>	8,26,500 Equity Shares of having face value of ₹ 10/- each.
<b>Inter-se relationship between Director/ Manager and other KMPs</b>	Shri Saurabh Agarwal is son of Shri Satish Kumar Agarwal, Chairman & Managing Director and a brother of Shri Sachin Agarwal and also related to Shri Sunil Kumar Agarwal, Whole-time Directors of the Company
<b>Number of Meeting attended during the year</b>	Details w.r.t. the number of Board and Committee meetings attended by Shri Saurabh Agarwal has been provided in Corporate Governance Report.
<b>Names of listed entities in which they also holds the directorship and the membership of Committees of the board along with listed entities from which they has resigned in the past three years.</b>	<p>As on 31<sup>st</sup> March, 2022, Shri Saurabh Agarwal was Whole-time Director of Kamdhenu Limited</p> <p>Details of Committee is depicted below: Stakeholders Relationship Committee – Kamdhenu Limited</p> <p>Shri Saurabh Agarwal has not resigned from any Listed Entity in preceding three years.</p>
<b>Directorships other than listed Company as on 31st March, 2022</b>	<ul style="list-style-type: none"> <li>- Radhey Bio. Tech Private Limited</li> <li>- Kamdhenu Paint Industries Limited</li> <li>- Kamdhenu Concast Limited</li> <li>- Kamdhenu Metallic Industries Limited</li> <li>- Kamdhenu Color and Coatings Limited</li> <li>- Kamdhenu Overeas Limited</li> <li>- Kamdhenu Ventures Limited</li> <li>- Kamdhenu Infradevelopers Limited</li> <li>- Kamdhenu Global Alliance Limited</li> </ul>
<b>Stock Option</b>	No stock options granted during the FY 2021-22

## NOTICE (Contd.)

The Board of Directors recommends the resolutions as set out at item no. 7 of this Notice, for approval of the members by way of Special Resolution.

None of the Directors or KMP of the Company except Shri Satish Kumar Agarwal, Shri Sunil Kumar Agarwal, Shri Saurabh Agarwal and Shri Sachin Agarwal or their respective relatives is concerned or interested financially or otherwise in the Resolution at Item No. 7 of the accompanying Notice.

### Item No. 8

The Shareholders of the Company at their 25th Annual General Meeting held on 30th September, 2019, has approved the re-appointment of Shri Sachin Agarwal (DIN : 01188710) as Whole-time Director of the Company, liable to retire by rotation, for a period of 3 (Three) years commencing from 1st April, 2020 to 31st March, 2023.

Upon the recommendation of Nomination and Remuneration Committee, the Board of Directors, subject to the approval of shareholders, in their meeting held on 30th May, 2022 has re-appointed Shri Sachin Agarwal as Whole-time Director, liable to retire by rotation, for a further period of three years, which would be commencing from the next day of expiry of current term i.e. from 1st April, 2023 and till 31st March, 2026, on such remuneration and other terms and conditions of his appointment, as set out at Item no. 8 of the Notice.

Further with respect to the re-appointment of Shri Sachin Agarwal as Whole-time Director, liable to retire by rotation, the Company has received the following documents;

- a) Notice in writing under Section 160 of the Companies Act, 2013;
- b) Consent to act as director of the Company, in the stipulated form DIR-2;
- c) Disclosure in terms of Section 164 of the Companies Act, 2013, in form DIR-8, stating that he is not disqualified for holding office of Whole-time Director (WTD) in the Company,
- d) Declaration in terms of Circulars No. NSE/CML/2018/24 issued by NSE and LIST/COMP/14/2018-19 issued by BSE dated June 20, 2018 stating that he is not debarred/restrained for being re-appointed or for holding the office of director in the Company by virtue of any order issued by SEBI or any other competent authority.

In the event of any inadequacy or absence of profits in any financial year the remuneration payable to him would be the same as mentioned in the resolution, as set out at item No. 8

and the validity of this resolution shall be as per Section II Part II of the Schedule V to the Companies Act, 2013.

Accordingly, the following information may also be taken note of with regard to the appointment/remuneration of Shri Sachin Agarwal in terms of Schedule V of the Act and in compliance with the 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.

### A. GENERAL INFORMATION

#### I. Nature of Industry:

The Company is engaged in the business of manufacturing of Steel and TMT Bars through own manufacturing unit and also through Franchisee model since September, 1994. The Company has been also forayed into the business of Paint and other allied Paints products in the month of August, 2008.

#### II. Date of commencement of commercial production:

The Company's operation for manufacturing the Steel and TMT bars is in operation since September, 1994 and the manufacturing of Paint products were commenced since August, 2008.

#### III. In case of new companies expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not Applicable.

#### IV. Financial indicators:

Set out in detail in the financial statements (Standalone and Consolidated) which form part of the Annual Report being sent to the members.

#### V. Foreign investments or collaborations, if any:

The Company has not made any Foreign Investments and neither entered into any collaborations, nor have any Foreign Direct Investment in the Company.

### B. INFORMATION ABOUT THE APPOINTEE

#### I. Background details:

Shri Sachin Agarwal is BE in Industrial Engineering from R.V. College of Engineering, Bengaluru and thereafter collected MBA degree in International Management from UK and has joined Kamdhenu Limited in 2002. Shri Sachin Agarwal is a young and vibrant face of the Company's

## NOTICE (Contd.)

management and responsible for the technological advancement of the manufacturing units bringing about international quality standards of the products to the Kamdhenu Group. He was also an instrumental in strategic tie-up with Centre de Recherches Metallurgies (CRM) Belgium, for adoption of TEMPCORE technology in the manufacturing unit at Bhiwadi, adding to the economic viability of Kamdhenu's products, he has also been actively monitoring the Company's Research & Development (R&D) facility and enabling research and technological development. Due to his consistent efforts, extensive research and technical know-how from United Kingdom, Company added another feather in its cap by launch of its premium product of reinforcement rebars, KAMDHENU SS 10000 TMT which has unique features of double rib, double strength, double safety making it unmatched strong and most suitable for highly seismic zone and high rise construction.

He always ensures that jobs are done with agility without compromising on quality. He monitors and ensures a tough quality regimen within all the manufacturing units producing various Kamdhenu products. Under this mechanism, all the manufacturing units including those under franchisee arrangement are equipped with high-end quality monitoring mechanism committed to produce only the top-quality products.

### II. Past Remuneration:

During the FY 2021-22, Shri Sachin Agarwal was paid managerial remuneration of ₹ 2,23,00,000/- (Rupees Two Crore and Twenty Three Lakhs)

### III. Recognition or Awards:

Under the dynamic leadership of Shri Sachin Agarwal, the Company has been winning awards year on year. The notable awards won are:

- World's Greatest Brands 2015 amongst Asia & GCC.
- Asia's Most Promising Brand 2015-16 by World Consulting & Research Corporation.
- Indian Power Brand 2016 & 2019-20 Award.
- World's Greatest Brands 2017-18 amongst Asia & GCC.
- Extraordinaire 2020-2022 Icon of Trust.

**IV. Job profile and his suitability:** overall control and supervision of the operations and branding, promotions and marketing activities of the Company subject to and in coordination with the Chairman of the Company and its Board of Directors.

**V. Remuneration Proposed:** not exceeding ₹ 30,000,000/- (Rupees Three Crore) per annum w.e.f 1st April, 2023.

### VI. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):

The remuneration payable has been benchmarked with the remuneration being drawn by peers in similar capacity in similar companies of comparable size in the steel sector and has been considered by the Nomination and Remuneration Committee of the Company at its meeting held on 30th May, 2022. The profile of Shri Sachin Agarwal, his responsibilities, complex business operations, industry benchmark and size of the Company justify the payment of said remuneration with the remuneration packages paid to their similar counterparts in other companies.

### VII. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel or other director, if any.

Besides the remuneration proposed and Shareholding, Shri Sachin Agarwal does not have any pecuniary relationship with the Company. Shri Sachin Agarwal, Whole-Time Director is son of Shri Satish Kumar Agarwal, Chairman & Managing Director of the Company and brother of Shri Saurabh Agarwal and also related to Shri Sunil Kumar Agarwal, Director of the Company.

### C. OTHER INFORMATION:

#### I. Reasons of loss or inadequate profits:

The Company is profit making entity. However, the appointment is for a term of three years commencing 1st April, 2023 and the future trend in the profitability will largely depend on business environment in the domestic markets, cost of inputs and general state of economy as a whole. Therefore, the limits specified under Section 197(1) read with Schedule V of the Companies Act 2013 and the Listing Regulations, may exceed during the term of appointment.

#### II. Steps taken or proposed to be taken for improvement and expected increase in productivity and profits in measurable terms:

The Company has been earning profits in the past consistently. The Company is in process of implementing the Scheme of Arrangement, wherein the Paint Business of the Company shall get demerged and thereafter the Company will carry on with the Steel Business with more

## NOTICE (Contd.)

focus and in competitive way. The Company is planning to increase its franchisee business and also planning to increase its capacity from 38 lakh MTPA to 50 Lakh MTPA through franchisee model.

However, for improving the financial position of the Company and to minimize impact of COVID-19 pandemic and other factors which could affect the financial position of the Company, several steps have been taken by the Company including expansion of production capacity of Steel Products through franchisee route to 50 lakh MTPA, which is in addition of the Company's own manufacturing unit i.e. 120 lakh MTPA. The Company also further intensified its efforts for further improvement in the operating parameters, optimum utilization of working capital, conservation of energy, rationalization of product mix, cutting down on overheads, etc. to ensure that the Company stays on the course of sustainable growth trajectory and profitability.

The Company has earned the PAT of ₹ 26.30 Crore during FY 2021-22 and Company is expected to do well in the subsequent years.

### D. OTHER DISCLOSURES

#### I. Disclosures with respect to Corporate Governance Report.

The disclosures as required on all elements of remuneration package such as salary, benefits, bonuses, pensions, details of fixed components and performance linked incentives along with performance criteria, service contract details, notice period, severance fees, etc. have been made in the Corporate Governance Report, attached to in this Annual Report.

#### II. Disclosure as per Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Secretarial Standards Issued by ICSI.

<b>Name of Director</b>	<b>Shri Sachin Agarwal</b>
<b>Date of First Appointment</b>	14th April, 2007
<b>Age</b>	44 Years
<b>Terms and Conditions of appointment/re-appointment</b>	Re-appointment as Whole-time Director of the Company for the further period of 3 (three) years w.e.f. 1st April, 2023 and liable to retire by rotation in terms of Section 152, 196, 197 and 203 of the Companies Act, 2013.
<b>Past Remuneration drawn</b>	₹ 2.23 Crore per annum (FY 2021-22)
<b>Shareholding in the Company as on 31st March 2022</b>	9,23,719 Equity Shares of having face value of ₹ 10/- each.
<b>Number of Meeting attended during the year</b>	Details w.r.t. the number of Board and Committee meetings attended by Shri Sachin Agarwal has been provided in Corporate Governance Report.
<b>Names of listed entities in which they also holds the directorship and the membership of Committees of the board along with listed entities from which they has resigned in the past three years.</b>	Shri Sachin Agarwal is Whole-time Director of Kamdhenu Limited and he is not the Chairman/Member in any Committee of the Company. Shri Sachin Agarwal has not resigned from any Listed Entity in preceding three years.
<b>Directorships other than listed Company as on 31st March, 2022</b>	<ul style="list-style-type: none"> <li>- Kamdhenu Concast Limited</li> <li>- Kamdhenu Metallic Industries Limited</li> <li>- Kamdhenu Colour and Coatings Limited</li> <li>- Kamdhenu Overeas Limited</li> <li>- Kamdhenu Ventures Limited</li> </ul>
<b>Stock Option</b>	No stock options granted during the FY 2021-22

## NOTICE (Contd.)

During the tenure of his employment, he shall devote his sufficient time to discharge his duties to the Company diligently and to the best of his abilities and shall in all respects comply with the Company's Code of Business Conduct and other Policies and Procedures.

Further, in terms of the provisions of Sections 196, 197, 198 and 203 of the Companies Act, 2013 read with Schedule V to the Act, wherever applicable, the Board of Directors recommends the resolutions as set out at item no. 8 of this Notice, for approval of the members by way of a Special Resolution.

Approval of member is also sought in terms of Regulation 17(6) (e) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as amended, for the remuneration payable to him (as set out in resolution mentioned at Item No 8) which is in excess of 5% of Net Profit calculated under the provision of Section 198 of the Companies Act, 2013 in any financial year during his tenure of appointment.

None of the Directors or KMP of the Company except Shri Satish Kumar Agarwal, Shri Sunil Kumar Agarwal, Shri Saurabh Agarwal and Shri Sachin Agarwal or their respective relatives is concerned or interested financially or otherwise in the Resolution at Item No. 8 of the accompanying Notice.

### Item No. 9

In terms of the provisions of Section 149 of the Companies Act, 2013 and Rules framed thereunder, the Shareholders of the Company, at their 27<sup>th</sup> Annual General Meeting held on 27<sup>th</sup> September, 2021, appointed Shri Madhusudan Agarwal (DIN: 00338537) as Independent Director of the Company, for a period of 2 (two) years upto 21<sup>st</sup> May, 2023, not liable to retire by rotation.

The Board of Directors and Nomination and Remuneration Committee, considering the expertise, experience and contribution made by him and based on his performance

evaluation, approved his re-appointment as Independent Director for a second term of 5 consecutive (five) years effective 22<sup>nd</sup> May, 2023 till 21<sup>st</sup> May, 2028 subject to the approval of Shareholders at this Annual General Meeting.

The Company has received the following documents in relation to his appointment;

- 1) Notice in writing in terms of Section 160 of the Companies Act, 2013;
- 2) Consent to act as director of the Company, in the stipulated form DIR-2;
- 3) Disclosure in terms of Section 164 of the Companies Act, 2013, in form DIR-8, stating that his is not disqualified for holding office of Director in the Company, if appointed as Independent Director;
- 4) Declaration in terms of Circulars No. NSE/CML/2018/24 issued by NSE and LIST/COMP/14/2018-19 issued by BSE dated June 20, 2018 stating that he is not debarred/restrained for being re-appointed or for holding the office of director in the Company by virtue of any order issued by SEBI or any other competent authority.
- 5) Declarations that he meets the criteria of Independence prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Rules framed thereunder, read with Schedule IV of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, as amended and has also confirmed that he is the registered member of Independent Director databank maintained by Indian Institute of Corporate Affairs (IICA).

In the opinion of the Nomination and Remuneration Committee and the Board, Shri Madhusudan Agarwal is Independent of the Management of the Company.

**Brief profile and other details, in compliance with the 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:**

<b>Name of Director</b>	<b>Shri Madhusudan Agarwal</b>
<b>Date of First Appointment</b>	22nd May, 2021
<b>Experience (including expertise in specific functional area)/ Brief Resume</b>	Shri Madhusudan Agarwal, University of Delhi alumnus, is a fellow member of The Institute of Chartered Accountants of India (ICAI) since 1987. He has more than three decades of professional experience in the field of audit, management consultancy, tax, company law matters and worked with various corporates across industries including steel, print media, healthcare, digital media, financial services, textile, real estate, automobiles and IT services etc.

## NOTICE (Contd.)

<b>Name of Director</b>	<b>Shri Madhusudan Agarwal</b>
<b>Age</b>	57 Years
<b>Qualification</b>	Chartered Accountant, B.COM (Hons)
<b>Terms and Conditions of appointment/re-appointment</b>	Re-appointment for the second term of consecutive 5 years upto 20th May, 2028.
<b>Skills and Capabilities</b>	The necessary skills and capabilities required for the role is been possessed by Shri Madhusudan Agarwal.
<b>Proposed Remuneration</b>	As per the Remuneration Policy
<b>Past Remuneration drawn</b>	No remuneration was drawn by Shri Madhusudan Agarwal in the previous financial year except the Sitting fees details of which is provided under Corporate Governance Report.
<b>Shareholding in the Company as on 31st March 2022</b>	Nil.
<b>Inter-se relationship between Director/Manager and other KMPs</b>	Shri Madhusudan Agarwal is not related to any Director, Manager or Key Managerial Personnel of the Company.
<b>Number of Meeting attended during the year</b>	Details w.r.t. the number of Board and Committee meetings attended by Shri Sachin Agarwal has been provided in Corporate Governance Report.
<b>Names of listed entities in which they also holds the directorship and the membership of Committees of the board along with listed entities from which they has resigned in the past three years.</b>	<p><b>Directorship</b> Kamdhenu Limited – Independent Director East Buildtech Limited – Non-Executive &amp; Non-Independent Director</p> <p><b>Committees</b> <b>Audit Committee</b> Kamdhenu Limited (Chairman) <b>Nomination &amp; Remuneration Committee:</b> Kamdhenu Limited (Member) East Buildtech Limited (Member)</p>
<b>Directorships other than listed Company</b>	<ul style="list-style-type: none"> <li>- Kesri Investments Private Limited</li> <li>- Karishma Finvest Private Limited</li> <li>- Bhilwara Infotech Limited</li> <li>- Yahweh Transport Private Limited</li> <li>- MSA Professionals Private Limited</li> </ul>

The draft letter of appointment of Shri Madhusudan Agarwal, containing terms of his appointment, is available for inspection by Members on the website of the Company at [www.kamdhenulimited.com](http://www.kamdhenulimited.com).

The Board considers that Shri Madhusudan Agarwal continued association would immensely benefit the Company and it is desirable to continue to avail his services as Independent Director. Accordingly, the Board of Directors recommends the resolution set forth in Item No. 9 for the approval of Members by way of a Special Resolution.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives, except Shri Madhusudan

Agarwal, is concerned or interested, financially or otherwise, in the resolution set out at Item No. 9.

### Item No. 10

In compliance with the Regulation 17(1)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and pursuant to the recommendations of Nomination & Remuneration Committee, Smt. Pravin Tripathi (DIN: 06913463) was inducted on the Board of Directors of the Company as an Additional Director in the category of Independent Woman Director, for a period of five consecutive years w.e.f 30<sup>th</sup> May, 2022. Having been appointed to the directorship of the Company as an Additional Director, she will

## NOTICE (Contd.)

hold office as such upto the date of this 28th Annual General Meeting of the Company.

Smt. Pravin Tripathi, being eligible for appointment as an Independent Woman Director, the Company has received from her:

- (a) a notice in terms of Section 160 of the Companies Act, 2013;
- (b) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014;
- (c) Intimation in Form DIR-8 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under Section 164(2) of the Act;
- (d) a declaration to the effect that she meets the criteria of independence as provided under Section 149(6) of the Act and SEBI listing Regulation and is registered with the IICA; and
- (e) declaration in terms of Circulars No. NSE/CML/2018/24 issued by NSE and LIST/COMP/14/2018-19 issued by BSE dated June 20, 2018 stating that she is not debarred/

restrained for being appointed or for holding the office of director in the Company by virtue of any order issued by SEBI or any other competent authority.

The resolution seeks the approval of the Members in terms of Section 149 and other applicable provisions of the Act and the rules made thereunder, read with Schedule IV of the Act, for appointment of Smt. Pravin Tripathi, as an Independent Woman Director of the Company for a period of five consecutive years i.e. commencing on 30th May, 2022 and upto 29th May, 2027.

Smt. Pravin Tripathi, once appointed, will not be liable to retire by rotation. In the opinion of the Board, she is a person of integrity, fulfills the conditions specified in the Act and the Rules made thereunder and Listing Regulations and is independent of the Management of the Company. It may be noted that her appointment at this 28th AGM shall be deemed to be a continuation of her appointment for a period of five consecutive years w.e.f. the date of appointment as Additional Director by the Board of Directors in their meeting held on 30th May, 2022, as aforementioned. A copy of the letter of appointment of Smt. Pravin Tripathi as an Independent Woman Director setting out the terms and conditions is available for the members on the website of the Company i.e. [www.kamdhenulimited.com](http://www.kamdhenulimited.com)

**Brief profile and other details, in compliance with the 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:**

<b>Name of Director</b>	<b>Smt. Pravin Tripathi (DIN: 06913463)</b>
<b>Date of First Appointment</b>	30th May, 2022
<b>Experience (including expertise in specific functional area)/ Brief Resume</b>	She is a former Indian Audit & Accounts Service (IA&AS) Officer of 1973 batch with more than 4 decades of experience in the field of Audit & Accounts. She has held various senior positions including that of Deputy Comptroller & Auditor General of India and Chairperson Audit Board, Member of the Competition Appellate Tribunal, Member of Airport Economic Regulatory Authority Appellate Tribunal and Chief Auditor, Municipal Corporation of Delhi amongst others.
<b>Age</b>	72 Years
<b>Qualification</b>	Indian Audit & Accounts Service (IA&AS), B.A. (Hons.) and Master in English Literature from Punjab University.
<b>Terms and Conditions of appointment/re-appointment</b>	Appointment as Non-Executive & Independent Woman Director, not liable to retire by rotation, for the period of 5 consecutive years, in terms of Section 149 and other applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015.
<b>Past Remuneration drawn</b>	Not Applicable

## NOTICE (Contd.)

<b>Name of Director</b>	<b>Smt. Pravin Tripathi (DIN: 06913463)</b>
<b>Shareholding in the Company as on 31st March 2022</b>	She does not hold any shares in the Company.
<b>Inter-se relationship between Director/ Manager and other KMPs</b>	She is not related to any director of the Company.
<b>Number of Meeting attended during the FY 2021-22</b>	Not Applicable. As she has been appointed w.e.f 30th May, 2022
<b>Names of listed entities in which they also holds the directorship and the membership of Committees of the board along with listed entities from which they has resigned in the past three years.</b>	<p>As on 31st March, 2022, Smt. Pravin Tripathi holds Directorship in following Listed Companies:</p> <ul style="list-style-type: none"> <li>- Jay Bharat Maruti Limited</li> <li>- Multi Commodity Exchange of India Limited</li> <li>- Minda Industries Limited</li> <li>- JBM Auto Limited</li> </ul> <p>Details of Committee is depicted below:</p> <p><b>Audit Committee</b></p> <ul style="list-style-type: none"> <li>- Multi Commodity Exchange of India Limited</li> <li>- Minda Industries Limited</li> <li>- JBM Auto Limited</li> </ul> <p><b>Nomination &amp; Remuneration Committee</b></p> <ul style="list-style-type: none"> <li>- Minda Industries Limited</li> <li>- JBM Auto Limited</li> <li>- Kamdhenu Limited</li> </ul> <p><b>Stakeholders Relationship Committee</b></p> <ul style="list-style-type: none"> <li>- Multi Commodity Exchange of India Limited</li> <li>- JBM Auto Limited</li> <li>- Kamdhenu Limited</li> </ul> <p><b>Risk Management Committee</b></p> <ul style="list-style-type: none"> <li>- Multi Commodity Exchange of India Limited</li> </ul> <p><b>Corporate Social Responsibility Committee</b></p> <ul style="list-style-type: none"> <li>- Multi Commodity Exchange of India Limited</li> <li>- Kamdhenu Limited</li> </ul> <p>Smt. Pravin Tripathi has resigned from PTC India Financial Services Limited, a listed entity on 14th October, 2021.</p>
<b>Directorships other than listed Company as on 31st March, 2022</b>	<ul style="list-style-type: none"> <li>- Minda Kosei Aluminum Wheel Private Limited</li> <li>- DSP Trustee Private Limited</li> </ul>
<b>Stock Option</b>	No stock options granted during the FY 2021-22

As Smt. Pravin Tripathi would be attaining the age of 75 years during has tenure of 5 years, accordingly approval is also sought from the Members of the Company, by way of a Special Resolution in view of the provisions of Regulation 17 (1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for continuation of Smt. Pravin Tripathi as a Non- Executive & Independent Woman Director after attaining the age of 75 years.

The Board recommends the Special Resolution as set out at Item No. 10 of the Notice for approval by the members.

Except Smt. Pravin Tripathi to whom the resolution relates, none of the Director(s) and Key Managerial Personnel of the Company or their respective relatives, are concerned or interested financially or otherwise in the Resolution mentioned at Item No. 10 of the Notice.



#### **Item No. 11**

The Board of Directors at their meeting held on 30th May, 2022, on the recommendation of Audit Committee, has approved the appointment of M/s K.G. Goyal & Associates, Cost Accountants (Firm Registration No. 000024) as Cost Auditor for the FY 2022-23 at a remuneration of ₹ 60,000/- (Rupees Sixty Thousand Only), plus applicable taxes, for the financial year ending 31st March, 2023 payable to the Cost Auditor, to conduct the audit of the cost records of the Company for the FY 2022-23.

In accordance with the provisions of Section 148 of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor, as fixed by its Board of Directors, upon recommendations of the Audit Committee, has subsequently required to be ratified by the Members of the Company.

The Board recommends the Ordinary Resolution, as set out in Item No. 11 of the Notice, for approval by the Members.

None of the Directors, Key Managerial Personnel of the Company and their relatives are in any way concerned or interested, financially or otherwise in the resolution as set out at Item No. 11 of the Notice.

**By order of The Board of Directors of  
Kamdhenu Limited**

Date : 30<sup>th</sup> May, 2022  
Place: Gurgaon

**Khem Chand**  
Company Secretary &  
Compliance Officer  
Membership No. F10065

**Registered Office:**

Kamdhenu Limited  
CIN: L27101HR1994PLC092205  
2nd Floor, Tower-A, Building No. 9, DLF Cyber City,  
Phase-III, Gurgaon - 122002 Haryana, India  
Telephone No.: 0124-4604500  
Email : [kamdhenu@kamdhenulimited.com](mailto:kamdhenu@kamdhenulimited.com)  
Website : [www.kamdhenulimited.com](http://www.kamdhenulimited.com)