



KAMDHENU LIMITED

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS FINANCIAL YEAR 2021-22

Date: 19th January, 2022

Time: 03:00 PM

Mode/Venue: Through Video Conferencing



Introduction

Pursuant to the Companies Policy on the Familiarisation Programme of the Independent Directors and Regulation 25(7) of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 the Company shall familiarise the independent directors through various programmes about the listed entity, including the following:

- a) nature of the industry in which the listed entity operates;
- b) business model of the listed entity;
- c) roles, rights, responsibilities of independent directors; and
- d) any other relevant information.



Objectives

The familiarization programme aims to provide Independent Directors with

- the Industry scenario,
- the socio-economic environment in which the Company operates,
- the business model,
- the operational and financial performance of the Company,
- to update the Independent Directors on a continuous basis on significant developments so as to enable them to take well informed decisions in a timely manner.

A large illustration on the left side of the slide shows a person in a red shirt and black pants climbing a large, multi-colored gear (yellow, red, and blue). The person is holding onto a rope that is attached to the gear. The gear is positioned at the top left of the slide.

Roles & Responsibilities of IDs

Pursuant to the provisions of the Schedule IV of the Companies Act, 2013 the independent directors shall:

1. help in bringing an independent judgment to bear on the Board's deliberations.
2. bring an objective view in the evaluation of the performance of board and management;
3. scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
4. satisfy themselves on the integrity of financial information and that financial controls.
5. safeguard the interests of all stakeholders,
6. determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management

Duties of the Independent Directors



The independent directors shall-

1. undertake appropriate induction and **regularly update and refresh their skills**, knowledge and familiarity with the company;
2. **seek appropriate clarification** or amplification of information and, where necessary, take and follow appropriate professional advice;
3. **strive to attend all meetings of the Board** of Directors and of the Board committees of which he is a member;
4. **participate constructively and actively** in the committees of the Board in which they are chairpersons or members;
5. **strive to attend the general meetings** of the company;

6. **pay sufficient attention and ensure that adequate** deliberations are held before approving **related party transactions** and assure themselves that the same are in the interest of the company;
7. **ascertain and ensure** that the company has an adequate and functional **vigil mechanism**;
8. report concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
9. act within their authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
10. not disclose confidential information unless such disclosure is expressly approved by the Board or required by law.

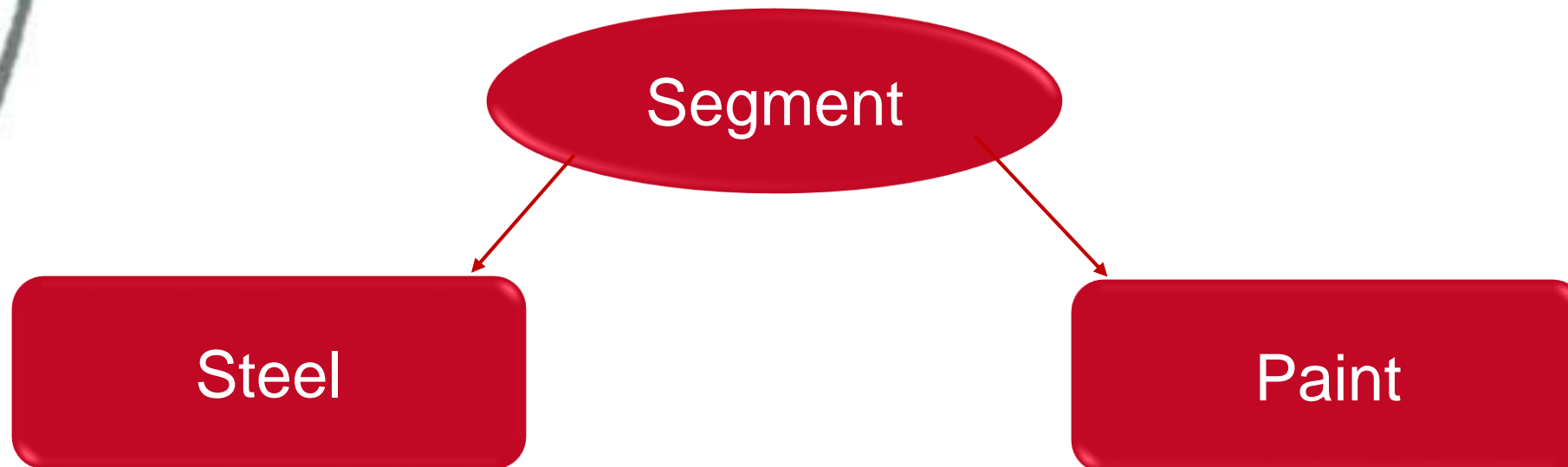


Liabilities of Independent Directors

1. As per Section 149(12) of Companies Act, 2013 and Regulation 25(5) of the SEBI (LODR) Regulations, 2015 an independent director shall be held liable, only in respect of such acts of omission or commission by a company which had occurred with his knowledge, attributable through Board processes, and with his consent or connivance or where he had not acted diligently.

Nature of Industry

- The Company mainly engaged in two segments viz. Steel and Paints Business.
- Both segments are different from each others therefore the nature applicable on the Company has two folded one is Steel Segment and other is Paint Segment.



Kamdhenu Limited



Steel Division

Paint Division

Manufacturing TMT
120000 MT
at Bhiwadi, Rajasthan

Franchisee Asset
Light Business
Model
43 lakhs MT

Manufacturing
30000 MT/KL at Chopanki,
Bhiwadi

Outsourcing
36000 MT/KL at Punjab,
Rajasthan, Uttar Pradesh

Products:

- Kamdhenu NXT TMT
- Kamdhenu PAS 10000 TMT

Products:

- Kamdhenu NXT TMT
- Kamdhenu Structural Steel
- Kamdhenu Colour Coated Profile Sheet
- Kamdhenu MS Pipe
- Kamdhenu Wire bond

Franchisee Asset Light Business Model...



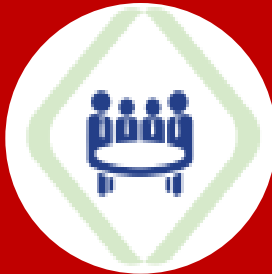
The Company using Franchisee Asset Light Business Model which allows Company to:



Easy availability of product in all parts of the country



Saving Transportation cost



Bargaining Power



Ensure quick delivery of Products to consumers



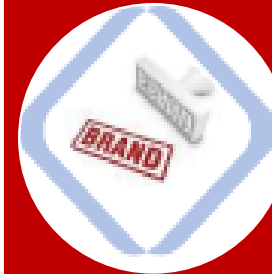
Increase in Market share



Enhanced revenue and increase in Profitability due to Royalty earned



Efficient handling large volumes



Improvement in Brand Equity



Paints Business



Kamdhenu Paints – Leading Brand in Indian Decorative Paints Segment. Laced with high precision equipment, this manufacturing unit has an output capacity of 30,000 KL per annum. The Company has also arranged for contract manufacturing at Udaipur, Punjab and Ghaziabad for Putty, Distemper, Primers and Enamels with an output capacity of 36,000 KL per annum. Modern automatic machines and advanced Research & Development laboratories labels every Kamdhenu paint product with highest quality standards that guarantees ultimate customer satisfaction

Kamdhenu
Paints –
COLOUR
DREAMZ
2008 set up its
own unit for
manufacturing
of decorative
Paints under its
flagship brand
KAMDHENU

Market Position
Amongst the
Top Paints
Company in
India

Capacity
Installed
capacity of
30,000 KL P.A.

Offerings
• Exterior &
Interior
emulsions
• Water based
primers
• Wood Finishes
• Textured &
Designer Paints



SKUs

40+SKUs across
10+ product
categories

Dealers

4,000+ dealers
associated with the
company

Painters

20,000+ Registered
painters of which
5,000+ are painters
actively procuring

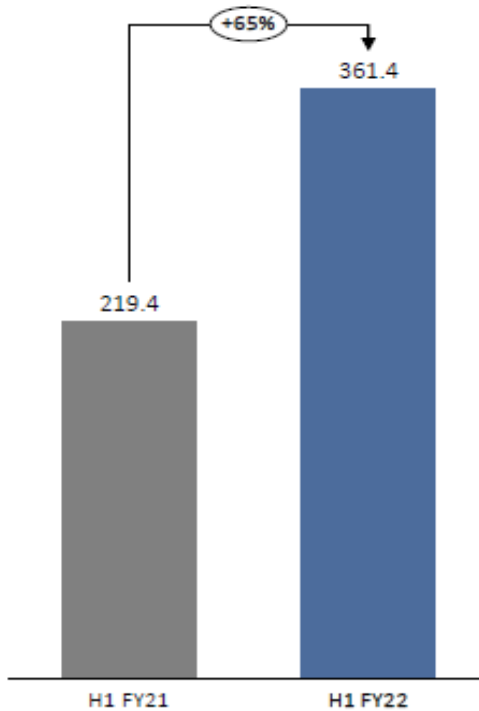
Sales Depots

33 Sales Depots
across the
country

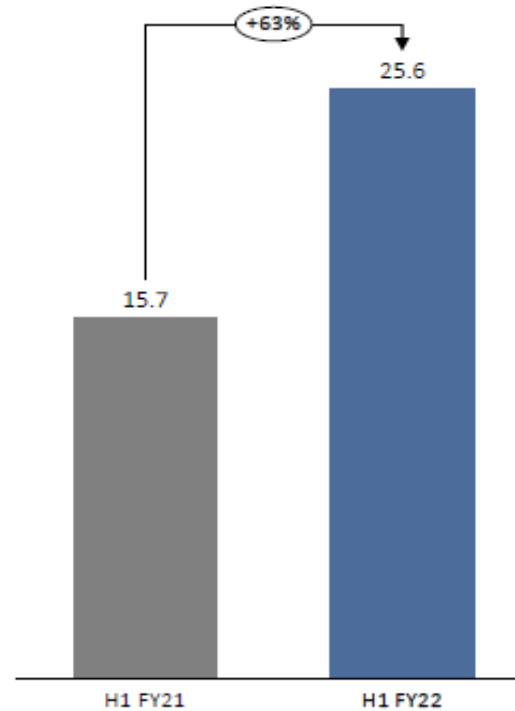
Financials Positions



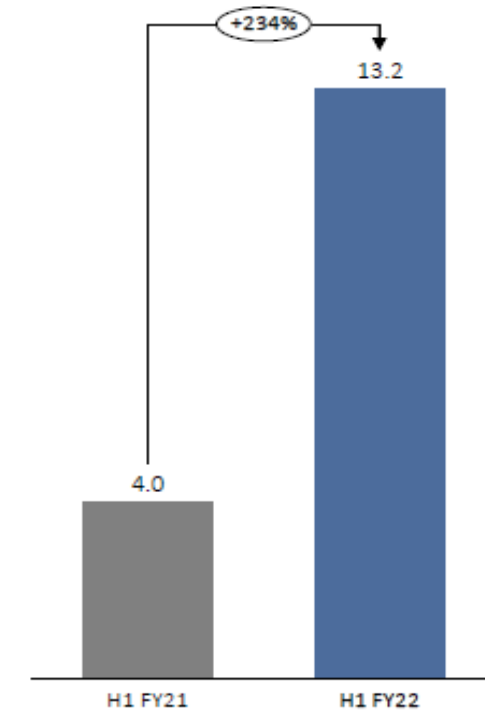
Revenues from Operations
(Rs. In Crores)



EBIDTA (Rs. In Crores)



PAT (Rs. In Crores)



H1 FY21 performance was impacted due to Covid-19 first wave induced lockdown and H1 FY22 performance was also impacted by Covid-19 second wave induced lockdown restrictions of varying degrees across different regions of the country.

Q2 FY22 - Statement of Profit & Loss



Particulars (Rs. Crs.)	Q2 FY22	Q2 FY21	Y-o-Y	Q1 FY22	Q-o-Q	H1 FY21^	H1 FY22^	Y-o-Y
Net Revenue from Operations	215.5	136.1	58%	145.9	48%	361.4	219.4	65%
Cost of Material Consumed	146.4	78.8		91.3		237.8	112.3	
Purchase of Stock-in-Trade	21.5	14.0		14.1		35.6	23.5	
Change in Inventories	-8.2	0.5		-7.4		-15.6	9.1	
Total Raw Material	159.8	93.3		98.0		257.8	144.9	
Employee Expenses	15.5	12.3		13.6		29.0	22.1	
Other Expenses	26.3	21.8		22.7		48.9	36.7	
Other Income	0.9	1.1		0.9		1.8	2.0	
Depreciation	2.3	2.1		2.3		4.6	4.3	
EBIT	12.6	7.7	63%	10.2	23%	22.8	13.4	70%
Finance Cost	2.6	3.9		2.7		5.2	7.6	
Exceptional Items	0.0	0.0		0.0		0.0	0.0	
Profit Before Tax	10.0	3.8	160%	7.5	33%	17.5	5.8	203%
Tax	2.3	1.3		2.0		4.3	1.8	
Profit After Tax	7.7	2.5	204%	5.6	37%	13.2	4.0	234%
EPS	2.84	0.94		2.07		4.91	1.48	

On Standalone basis:

^H1 FY21 performance was impacted due to Covid-19 first wave induced lockdown and H1 FY22 performance was also impacted by Covid -19 Second wave induced lockdown restrictions.

Balance Sheet as on 30th September 2021



Particulars (Rs. Crs.)	Sep 2021	Mar 2021
Equity Share Capital	26.9	26.9
Other Equity	178.9	167.8
Total Equity	205.9	194.8
Financial Liabilities		
Borrowings	15.8	2.4
Lease Liabilities	4.3	5.1
Other Liabilities	7.9	7.4
Provisions	4.3	4.2
Deferred Tax Liabilities (Net)	5.0	5.4
Total Non Current Liabilities	37.3	24.4
Financial Liabilities		
Borrowings	72.5	91.3
Lease Liabilities	1.9	1.5
Trade Payables	108.3	102.7
Other Financial Liabilities	7.8	7.4
Other Current Liabilities	8.0	8.4
Provisions	0.7	0.7
Current Tax Liabilities (Net)	0.0	-
Total Current Liabilities	199.2	211.9
Total Equity and Liabilities	442.4	431.1

Particulars (Rs. Crs.)	Sep 2021	Mar 2021
Non Current assets		
Property, Plant and Equipment's	84.6	85.8
Capital Work in Process	3.4	0.8
Right of Use Assets	4.6	5.0
Goodwill on Consolidation	-	-
Financial Assets		
Investment in Subsidiary	0.0	0.0
Investments	2.2	2.4
Loans	0.1	0.1
Other Financial Assets	3.0	3.0
Other Non-Current Assets	10.7	11.1
Total Non Current Assets	108.7	108.1
Current Assets		
Inventories	84.9	67.3
Financial Assets		
Investment	7.8	6.2
Trade Receivables	209.1	199.5
Cash and Cash Equivalents	1.4	2.4
Bank Balances	3.9	1.7
Loans	0.6	0.4
Other Financial Assets	10.5	26.1
Other Current Assets	15.5	19.5
Total Current Assets	333.7	323.0
Total Assets	442.4	431.1

Cash Flow Statement as on 30th September 2021



Particulars (Rs. Crs.)	Sep-21	Mar-21	Sep-20
Net Profit Before Tax	17.5	21.0	5.8
Adjustments for: Non Cash / Other Items	9.4	32.6	11.7
Operating profit before working capital changes	27.0	53.5	17.5
Changes in working capital	-4.6	2.7	-0.2
Cash generated from operations	22.4	56.2	17.3
Direct taxes paid (net of refund)	-4.6	-6.0	-2.2
Net Cash from Operating Activities (A)	17.8	50.2	15.0
Net Cash from Investing Activities (B)	-7.3	-9.6	-3.5
Net Cash from Financing Activities (C)	-11.5	-40.9	-11.6
Net Decrease in cash and cash equivalents (A+B+C)	-1.0	-0.3	-0.1
Add: Cash & Cash equivalents at the beginning of the period	2.4	2.7	2.7
Cash & Cash equivalents at the end of the period	1.4	2.4	2.6

Knowledge Sharing



S.No.	Amendment relating to	Existing Regulation	Amended Regulation
1	Criteria of Independence	(i) Currently an individual shall not have material pecuniary relationship for a period of two years prior to the being appointed as Independent Director.	(i) An individual who wants to get appointed as Independent Director shall not have material pecuniary relationship with listed entity, its holding, subsidiary or associate company, or their promoters, or directors in last three financial years.
		(ii) Currently An Independent director or relative should not have held position as an employee or Key managerial personnel in holding, subsidiary or associate company in last three financial years.	(ii) An Independent director or relative should not have held position as an employee or Key managerial personnel in holding, subsidiary or associate company or in any of the company belonging to promoter group in last three financial years. (Above restriction not applicable in case a relative is an employee other than KMP) .
2.	Appointment of Independent Directors	No such provision in LODR earlier.	Listed entity will have to ensure that approval of shareholders for appointment of director is taken within 3 months from date of appointment or at next general meeting whichever is earlier.

Knowledge Sharing (Cont...)



S.No.	Amendment relating to	Existing Regulation	Amended Regulation
3.	Resolution for appointment, re-appointment or removal	No such provision in LODR.	The appointment, re-appointment or removal of an independent director of a listed entity, shall be subject to the approval of shareholders by way of a special resolution.
4.	Casual vacancy in the office of Independent Director	Casual vacancy are to be filled up at immediate next board meeting or three months whichever is later.	Casual vacancy in the office of Independent Director has to be filled up within a period of three months including the Shareholders approval.
5.	Approval of Related Party Transactions	All Related Party Transactions were to be approved by Audit Committee in totality.	All Related Party Transactions shall be approved by the independent directors in Audit Committee.

Conclusion

The familiarisation programmes of the Independent Directors lets the IDs make a better understanding of insights about the Company. The familiarisation programmes facilitates independent directors to take well informed decisions.



Thank You

Kamdhenu Limited