



# KAMDHENU LIMITED

2nd Floor, Tower - A, Building No. 9, DLF Cyber City, Phase - III, Gurugram  
PIN: 122002, (Haryana) Phone: - 0124 - 4604500, Fax: 0124 - 4218524  
E-mail: kamdhenu@kamdhenulimited.com, website: www.kamdhenulimited.com

12<sup>th</sup> November, 2019

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

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

REF: Security Code: KAMDHENU

Ref: Security Code: 532741

Dear Sir/Madam,

**Subject: Outcome of Board Meeting under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 - Filing of Unaudited Financial Results for the Quarter and Half year ended 30<sup>th</sup> September, 2019.**

With reference to the captioned subject and pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, we are enclosing herewith the Unaudited Financial Results of the Company for the Quarter and Half year ended 30<sup>th</sup> September, 2019 as recommended by the Audit Committee and duly approved by the Board of Directors of the Company, at its meeting held on Tuesday, the 12<sup>th</sup> day of November, 2019. The meeting of the Board of Directors of the Company commenced at 03:30 P.M. and concluded at 06:30 P.M. These results have been prepared as per Ind-AS applicable on the Company.

A copy of the Results along with Limited Review Report of the Auditors of the Company, as required under Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 is enclosed herewith.

You are requested to kindly take the same on your record.

Thanking you,  
Yours faithfully,

For Kamdhenu Limited,

(Jogeswar Mohanty)  
Company Secretary & Compliance Officer  
M. No. ACS23247



## KAMDHENU LIMITED

CIN: L27101DL1994PLC134282

Regd. Office: L-311, Khasra No.724, Street No.7, Mahipalpur Extension, New Delhi-110 037

Corporate Office: 2nd Floor, Tower-A, Building No.9, DLF Cyber City Phase-3, Gurgaon-122 002

Phone no.-0124-4604500 Fax: - 0124-4218524 Email:- kamdhenu@kamdhenulimited.com Website:-www.kamdhenulimited.com

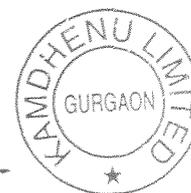
### STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2019

(Amount in Lakhs)

|           | Particulars  | Quarter Ended    |                  |                  | Half Year Ended  |                  | Year Ended         |
|-----------|--|------------------|------------------|------------------|------------------|------------------|--------------------|
|           |  | 30.09.2019       | 30.06.2019       | 30.09.2018       | 30.09.2019       | 30.09.2018       | 31.03.2019         |
|           |  | (Unaudited)      | (Unaudited)      | (Unaudited)      | (Unaudited)      | (Unaudited)      | (Audited)          |
| <b>1</b>  | <b>Income</b>  |                  |                  |                  |                  |                  |                    |
| a         | Revenue from operations  | 23,797.97        | 22,297.74        | 33,206.97        | 46,095.71        | 73,185.55        | 1,23,239.62        |
| b         | Other income   | 6.33             | 4.63             | 13.01            | 10.96            | 17.89            | 37.64              |
|           | <b>Total income</b>  | <b>23,804.30</b> | <b>22,302.37</b> | <b>33,219.98</b> | <b>46,106.67</b> | <b>73,203.44</b> | <b>1,23,277.26</b> |
| <b>2</b>  | <b>Expenses</b>  |                  |                  |                  |                  |                  |                    |
| a         | Cost of Materials Consumed   | 8,104.16         | 7,724.98         | 10,061.69        | 15,829.14        | 19,285.68        | 38,969.44          |
| b         | Purchases of Stock-in-Trade  | 10,911.11        | 9,161.85         | 16,658.50        | 20,072.96        | 40,986.78        | 56,724.17          |
| c         | Changes in Inventory of Finished Goods, Work-in-Progress and Stock-in-Trade  | (1,336.10)       | (706.71)         | (145.44)         | (2,042.81)       | (275.95)         | 1,600.04           |
| d         | Employee Benefits Expense  | 1,302.96         | 1,178.44         | 1,163.84         | 2,481.40         | 2,367.39         | 4,724.27           |
| e         | Finance Costs  | 271.28           | 262.61           | 279.33           | 533.89           | 532.50           | 1,150.94           |
| f         | Depreciation & Amortization Expense  | 207.26           | 208.76           | 182.09           | 416.02           | 374.12           | 737.88             |
| g         | Other Expenses   | 3,921.52         | 3,474.59         | 4,213.72         | 7,396.11         | 8,200.99         | 15,875.91          |
|           | <b>Total expenses</b>  | <b>23,382.19</b> | <b>21,304.52</b> | <b>32,413.73</b> | <b>44,686.71</b> | <b>71,471.51</b> | <b>1,19,782.65</b> |
| <b>3</b>  | <b>Profit before exceptional items and tax (1-2)</b>   | <b>422.11</b>    | <b>997.85</b>    | <b>806.25</b>    | <b>1,419.96</b>  | <b>1,731.93</b>  | <b>3,494.61</b>    |
| <b>4</b>  | <b>Exceptional Items</b>   | -                | 68.27            | -                | 68.27            | -                | -                  |
| <b>5</b>  | <b>Profit before tax (3-4)</b>   | <b>422.11</b>    | <b>929.58</b>    | <b>806.25</b>    | <b>1,351.69</b>  | <b>1,731.93</b>  | <b>3,494.61</b>    |
| <b>6</b>  | <b>Tax expense</b>   |                  |                  |                  |                  |                  |                    |
| a         | Current tax  | 82.63            | 332.33           | 288.61           | 414.96           | 651.21           | 1,225.31           |
| b         | Deferred tax   | (312.66)         | (11.18)          | 3.39             | (323.84)         | (25.45)          | 27.94              |
| c         | Income Tax of earlier years  | -                | -                | (5.70)           | -                | (5.70)           | (5.70)             |
|           | <b>Total Tax Expenses</b>  | <b>(230.03)</b>  | <b>321.15</b>    | <b>286.30</b>    | <b>91.12</b>     | <b>620.06</b>    | <b>1,247.55</b>    |
| <b>7</b>  | <b>Net Profit after tax (5-6)</b>  | <b>652.14</b>    | <b>608.43</b>    | <b>519.95</b>    | <b>1,260.57</b>  | <b>1,111.87</b>  | <b>2,247.06</b>    |
| <b>8</b>  | <b>Other Comprehensive Income/ (Loss)</b>  |                  |                  |                  |                  |                  |                    |
| a         | Items that will not be reclassified to profit or loss  | 1.44             | 2.02             | (6.56)           | 3.46             | (13.08)          | 8.14               |
| b         | Tax impacts on above   | 0.27             | 2.81             | 2.26             | 3.08             | 8.03             | 0.67               |
|           | <b>Total Other Comprehensive Income/(Loss)</b>   | <b>1.71</b>      | <b>4.83</b>      | <b>(4.30)</b>    | <b>6.54</b>      | <b>(5.05)</b>    | <b>8.81</b>        |
| <b>9</b>  | <b>Total comprehensive income for the period (comprising profit after tax and other comprehensive income after tax for the period) (7+8)</b> | <b>653.85</b>    | <b>613.26</b>    | <b>515.65</b>    | <b>1,267.11</b>  | <b>1,106.82</b>  | <b>2,255.87</b>    |
| <b>10</b> | <b>Earnings per share in rupees: ( Not Annualised)</b>   |                  |                  |                  |                  |                  |                    |
|           | - Basic (in Rupees)  | 2.46             | 2.29             | 2.14             | 4.75             | 4.57             | 8.98               |
|           | - Diluted (in Rupees)  | 2.45             | 2.28             | 2.05             | 4.74             | 4.38             | 8.90               |
| <b>11</b> | <b>Paid-up equity share capital (Face Value of Rs.10 each)</b>   | <b>2,654.33</b>  | <b>2,654.33</b>  | <b>2,440.00</b>  | <b>2,654.33</b>  | <b>2,440.00</b>  | <b>2,640.00</b>    |



| STATEMENT OF ASSETS AND LIABILITIES AS AT 30TH SEPTEMBER, 2019                           |                           | (Amount in Lakhs)       |  |
|--|---------------------------|-------------------------|--|
| Particulars  | As at                     | As at                   |  |
|  | 30.09.2019<br>(Unaudited) | 31.03.2019<br>(Audited) |  |
| <b>ASSETS</b>  |                           |                         |  |
| <b>1 Non-Current Assets</b>  |                           |                         |  |
| (a) Property Plant and Equipment   | 7,383.37                  | 8,967.38                |  |
| (b) Capital Work in Process  | 22.67                     | 78.07                   |  |
| (c) Right of use Assets  | 712.63                    | -                       |  |
| (d) Financial Assets   |                           |                         |  |
| (i) Investments  | 270.03                    | 270.01                  |  |
| (ii) Loans   | 2.72                      | 6.52                    |  |
| (iii) Other Financial Assets   | 274.48                    | 207.80                  |  |
| (e) Other Non-Current Assets   | 507.31                    | 347.53                  |  |
| <b>Total Non-Current Assets</b>  | <b>9,173.21</b>           | <b>9,877.31</b>         |  |
| <b>2 Current Assets</b>  |                           |                         |  |
| (a) Inventories  | 5,563.22                  | 5,769.26                |  |
| (b) Financial Assets   |                           |                         |  |
| (i) Trade receivables  | 18,936.60                 | 22,280.18               |  |
| (ii) Cash and Cash Equivalents   | 357.96                    | 927.10                  |  |
| (iii) Bank Balances other than (ii) above  | 219.08                    | 213.22                  |  |
| (iv) Loans   | 56.95                     | 41.89                   |  |
| (v) Other Financial Assets   | 4,560.04                  | 63.14                   |  |
| (c) Other Current Assets   | 3,592.59                  | 2,342.00                |  |
| <b>Total Current Assets</b>  | <b>33,286.44</b>          | <b>31,636.79</b>        |  |
| <b>TOTAL ASSETS</b>  | <b>42,459.65</b>          | <b>41,514.10</b>        |  |
| <b>EQUITY AND LIABILITIES</b>  |                           |                         |  |
| <b>EQUITY</b>  |                           |                         |  |
| (a) Equity Share Capital   | 2,654.33                  | 2,640.00                |  |
| (b) Other Equity   | 16,500.26                 | 15,474.30               |  |
| <b>Total Equity</b>  | <b>19,154.59</b>          | <b>18,114.30</b>        |  |
| <b>LIABILITIES</b>   |                           |                         |  |
| <b>1 Non-Current Liabilities</b>   |                           |                         |  |
| (a) Financial Liabilities  |                           |                         |  |
| (i) Borrowings   | 41.83                     | 48.62                   |  |
| (ii) Lease Liabilities   | 701.78                    | -                       |  |
| (iii) Other Financial Liabilities  | 764.71                    | 835.65                  |  |
| (b) Provisions   | 382.02                    | 362.51                  |  |
| (c) Deferred Tax Liabilities (Net)   | 620.80                    | 988.24                  |  |
| <b>Total Non-Current Liabilities</b>   | <b>2,511.14</b>           | <b>2,235.02</b>         |  |
| <b>2 Current Liabilities</b>   |                           |                         |  |
| (a) Financial Liabilities  |                           |                         |  |
| (i) Borrowings   | 9,392.11                  | 8,741.22                |  |
| (ii) Lease Liabilities   | 148.72                    | -                       |  |
| (iii) Trade payables   |                           |                         |  |
| - total outstanding dues of micro enterprises and small enterprises                      | 464.28                    | 1,821.85                |  |
| - total outstanding dues of creditors other than micro enterprises and small enterprises | 9,110.27                  | 9,200.72                |  |
| (iii) Other financial liabilities  | 742.05                    | 664.96                  |  |
| (b) Other Current Liabilities  | 886.10                    | 687.84                  |  |
| (c) Provisions   | 45.37                     | 43.18                   |  |
| (d) Current Tax Liabilities (Net)  | 5.01                      | 5.01                    |  |
| <b>Total Current Liabilities</b>   | <b>20,793.92</b>          | <b>21,164.78</b>        |  |
| <b>Total Liabilities</b>   | <b>23,305.06</b>          | <b>23,399.80</b>        |  |
| <b>TOTAL EQUITY AND LIABILITIES</b>  | <b>42,459.65</b>          | <b>41,514.10</b>        |  |



Segmentwise Revenue, Results, Assets and Liabilities

| Particulars  | Quarter Ended    |                  |                  | Half Year Ended  |                  | Year Ended         |
|--|------------------|------------------|------------------|------------------|------------------|--------------------|
|  | 30.09.2019       | 30.06.2019       | 30.09.2018       | 30.09.2019       | 30.09.2018       | 31.03.2019         |
|  | (Unaudited)      | (Unaudited)      | (Unaudited)      | (Unaudited)      | (Unaudited)      | (Audited)          |
| <b>A. Segment Revenue</b>                                  |                  |                  |                  |                  |                  |                    |
| - Steel  | 19,144.37        | 18,343.18        | 27,673.71        | 37,487.55        | 62,712.76        | 96,256.99          |
| - Paints   | 4,653.60         | 3,954.56         | 5,533.26         | 8,608.16         | 10,472.79        | 26,982.63          |
| <b>Gross Revenue from Operations</b>                       | <b>23,797.97</b> | <b>22,297.74</b> | <b>33,206.97</b> | <b>46,095.71</b> | <b>73,185.55</b> | <b>1,23,239.62</b> |
| <b>B. Segment Results</b>                                  |                  |                  |                  |                  |                  |                    |
| - Steel  | 1,114.75         | 1,568.36         | 1,313.78         | 2,683.12         | 2,709.83         | 5,462.93           |
| - Paints   | (164.34)         | (115.70)         | 218.13           | (280.04)         | 410.90           | 820.04             |
| Profit/(Loss) before finance cost, Tax & unallocable items | 950.42           | 1,452.66         | 1,531.91         | 2,403.08         | 3,120.73         | 6,282.98           |
| Less: Finance cost   | 271.28           | 262.61           | 279.33           | 533.89           | 532.50           | 1,150.94           |
| Less: Other Unallocable Expenditure net of Income          | 257.02           | 260.47           | 446.33           | 517.50           | 856.30           | 1,637.43           |
| <b>Total Profit before Tax</b>                             | <b>422.11</b>    | <b>929.58</b>    | <b>806.25</b>    | <b>1,351.69</b>  | <b>1,731.93</b>  | <b>3,494.61</b>    |
| <b>C. Segment Assets</b>                                   |                  |                  |                  |                  |                  |                    |
| - Steel  | 22,354.08        | 22,417.00        | 20,613.87        | 22,354.08        | 20,613.87        | 21,077.55          |
| - Paints   | 19,467.92        | 17,650.51        | 18,277.51        | 19,467.92        | 18,277.51        | 19,911.18          |
| - Unallocable  | 637.65           | 525.55           | 544.37           | 637.65           | 544.37           | 525.37             |
| <b>Total Segment Assets</b>                                | <b>42,459.65</b> | <b>40,593.06</b> | <b>39,435.75</b> | <b>42,459.65</b> | <b>39,435.75</b> | <b>41,514.10</b>   |
| <b>D. Segment Liabilities</b>                              |                  |                  |                  |                  |                  |                    |
| - Steel  | 8,436.58         | 8,594.50         | 8,871.91         | 8,436.58         | 8,871.91         | 6,676.71           |
| - Paints   | 14,242.66        | 12,273.89        | 14,305.07        | 14,242.66        | 14,305.07        | 15,734.86          |
| - Unallocable  | 625.81           | 978.12           | 927.49           | 625.81           | 927.49           | 988.23             |
| <b>Total Segment Liabilities</b>                           | <b>23,305.06</b> | <b>21,846.51</b> | <b>24,104.47</b> | <b>23,305.06</b> | <b>24,104.47</b> | <b>23,399.80</b>   |



Statement of Cash Flows for the half year ended 30th September 2019

| Particulars   | Half Year Ended |                 |
|---|-----------------|-----------------|
|   | 30.09.2019      | 30.09.2018      |
|   | (Unaudited)     | (Unaudited)     |
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>                       |                 |                 |
| Profit before exceptional items and tax                             | 1,419.96        | 1,731.93        |
| Non cash adjustment to Profit before exceptional items and tax      |                 |                 |
| Interest Income   | (10.96)         | (15.41)         |
| Depreciation and amortization                                       | 416.02          | 374.12          |
| Interest Expenses   | 533.89          | 532.50          |
| Share Based Payments to Employees                                   | 96.93           | 158.77          |
| Remeasurement of the Defined Benefit Plan                           | 25.14           | 18.46           |
| Loss/ (Gain) on disposal of Property, Plant and Equipment           | (0.07)          | 1.26            |
| Ind AS adjustment for Fair Value                                    | 40.07           | 1.62            |
| Provision for Expected Credit Loss                                  | 169.77          | 82.54           |
|   | <b>2,690.75</b> | <b>2,885.79</b> |
| Change in operating assets and liabilities:                         |                 |                 |
| Decrease/ (increase) in Inventories                                 | 206.03          | (633.11)        |
| Decrease/ (increase) in Trade Receivables                           | 3,173.80        | (592.31)        |
| Decrease/ (increase) in Other Bank Balances                         | (5.86)          | (98.52)         |
| Decrease/ (increase) in Other Financial Assets                      | (2,844.99)      | (138.97)        |
| Decrease/ (increase) in Other Current Assets                        | (1,301.95)      | (720.83)        |
| Decrease/ (increase) in Other Non Current Assets                    | (159.78)        | (117.41)        |
| Increase/ (decrease) in Trade Payables                              | (1,448.01)      | (315.85)        |
| Increase/ (decrease) in Other Current Financial Liabilities         | (256.57)        | 106.31          |
| Increase/ (decrease) in Other Current Liabilities                   | 198.26          | (513.41)        |
| Increase/(Decrease) in Other Non-Current Financial Liabilities      | (70.94)         | (57.48)         |
| Cash Used from Operation  |                 |                 |
| Income Taxes paid (net)   | (414.96)        | (700.42)        |
| <b>Net Cash Flow from Operating Activities (A)</b>                  | <b>(234.21)</b> | <b>(896.21)</b> |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>                       |                 |                 |
| Payment for acquisition of Property, Plant and Equipment            | (491.43)        | (489.87)        |
| Proceeds from sale of Property, Plant and Equipment                 | 23.40           | 14.21           |
| Interest Received   | 10.96           | 14.49           |
| <b>Net Cash Flow from Investing Activities (B)</b>                  | <b>(457.07)</b> | <b>(461.17)</b> |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>                       |                 |                 |
| Interest Paid   | (533.89)        | (532.50)        |
| Repayment of Borrowings   | 639.27          | 1,660.68        |
| Repayment of Lease Liability  | (54.83)         | -               |
| Money Received against ESOP   | 71.62           | -               |
| Dividend paid and tax thereon                                       | (0.03)          | (158.19)        |
| <b>Net Cash (used in) from Financing Activities (C)</b>             | <b>122.14</b>   | <b>969.99</b>   |
| <b>Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)</b> | <b>(569.14)</b> | <b>(387.39)</b> |
| Opening Balance Cash and Cash Equivalents                           | 927.10          | 789.69          |
| Closing Balance Cash and Cash Equivalents                           | 357.96          | 402.30          |



Notes:

- 1 The above results were reviewed and recommended by the Audit Committee & approved by the Board of Directors at their respective meetings held on 12th November, 2019. The financial results for the quarter and half year ended 30th September, 2019 have been limited reviewed by the Statutory Auditors of the Company.
- 2 During the half year ended 30th September, 2019, a major fire broke out in the Paint factory of the Company at Chopanki, Alwar, Rajasthan on the midnight of 27th & 28th April, 2019 due to which the inventory at the factory, property, plant & equipment got damaged substantially. There has been no human casualty in the said fire incidence. The carrying amount as on date of fire of inventories, property, plant & equipment damaged in fire was to the tune of Rs. 45.68 Crores .The inventory, property, plant & equipment so damaged in fire were validly insured and insurance policies were effective as on the date of such fire. The Company has filed insurance claim of Rs. 45 Crores and the process of assessing the claim settlement has been initiated and is underway. The management of the Company is confident that the amount claimed from Insurance Company is certain to be realized based on valid and subsisting insurance policies, accordingly, the Company has recognized insurance claim receivable as on 30th June, 2019 amounting to Rs. 45 Crores (to the extent of amount claimed) in books of accounts and classified as other current financial assets. Any deficit/surplus in the amount of insurance claim shall be recognized as expense/income upon final settlement of the claim. The amount of insurance claim of Rs. 45 Crores recognized and amount of loss of fire amounting to Rs. 45.68 Crores has been grouped in Exceptional item and net amount of loss of Rs 0.68 Crores on account of fire has been shown as "Exceptional Items"(Net) in financial statements.
- 3 Effective 1st April 2019, the Company adopted IND AS 116 "Leases" and applied the same to all Lease contracts existing on 1st April 2019 using modified retrospective method and has taken the cumulative adjustments to Retained Earnings on the date of initial application. Accordingly, the Comparative Figures of Previous periods have not been restated. The cumulative effect of application of standard has reduced the retained earnings by Rs 75.39 lacs (Net of deferred tax asset) on transition date i.e 1st April 2019. For the half year ended 30th September 2019, the implementation of IND AS 116 has resulted in decrease in Profit before tax by Rs 21.98 lacs on account of interest cost and depreciation offset by reversal of lease rent expenses. In the statement of profit and Loss for the current Period, the nature of expenses in respect of operating lease 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 adoption of new standard has resulted in recognition of Right of Use of Rs. 738.67 lacs and lease liability of Rs. 854.55 lacs on 1st April 2019..
- 4 The company has elected to exercise the option permitted under Section 115BAA of Income Tax Act,1961 as introduced by Taxation Laws(Amendment) Ordinance 2019. Accordingly, the company has recognised provision for Income Tax for Six months ended 30th September 2019 and remeasured its deferred tax on the basis of rates as prescribed in the said section. The full impact of the change has been recognised in the statement of profit & loss for the quarter ended 30th September, 2019.
- 5 The net cash inflows for the corresponding period 1st April, 2018 to 30th September, 2018 as reported in unaudited financial results are management certified and have not been subjected to limited review.
- 6 During the half year ended 30th September 2019, the company had allotted 143250 equity shares of Rs.10 each at an exercise price of Rs.50 each to eligible employees under ESOP scheme 2017 and Listing of such shares on stock exchanges is under process.
- 7 The unaudited financial results of the company for the quarter ended 30th September 2019 are also available on the Company's website ([www.kamdhenulimited.com](http://www.kamdhenulimited.com)) and on the website of BSE ([www.bseindia.com](http://www.bseindia.com)) and NSE ([www.nseindia.com](http://www.nseindia.com)) in accordance with the provision of (Listing obligations and Disclosure Requirements) Regulation, 2015.



For and on behalf of the Board of Directors  
Kamdhenu Limited

*(Signature)*  
(Satish Kumar Agarwal)

Chairman & Managing Director

DIN: 00005981

Place: Gurgaon

Date: 12.11.2019

# BSD & Co.

## Chartered Accountants

810,8th Floor, Antriksh Bhawan, 22, Kasturba Gandhi Marg, New Delhi-110001 (Delhi)  
Tel : 011-43029888; Email ID : audit.delhi@bsdgroup.in; delhi@bsdgroup.in, website : www.bsdgroup.in

### **Independent Auditors' Review Report on the Quarterly Unaudited Financial Results of the Company pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended**

To

**Board of Directors**

**Kamdhenu Ltd.**

Building 9-A, 2<sup>nd</sup> Floor,

DLF Cyber City, Phase -III,

Gurgaon (Haryana) - 122002

- 1) We have reviewed the accompanying statement of unaudited financial results of Kamdhenu Limited ("the company") for the quarter/half year ended 30<sup>th</sup> September, 2019 attached herewith, being submitted by the company pursuant to the requirements of Regulations 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).
- 2) *Attention is drawn to Note No. 2 of the quarterly financial statements regarding recognition of insurance claim receivable to the extent of Rs. 45 Crores against the loss of inventory, property, plant & equipment due to fire during the quarter ended 30<sup>th</sup> June, 2019 under "Exceptional Items" which is pending for approval by the insurance company. In our opinion, such insurance claim should have been recognized as receivable only upon acceptance of the claim by the Insurance Company and upon certainty of ultimate collection of such claim in accordance with the accounting principles. Had the Company not accounted for such claim, the profit of the Company for the half year ended 30<sup>th</sup> September, 2019 would have been lower by Rs. 45 Crores and reserves & surplus as at that date would have been lower by the same amount.*
- 3) Attention is drawn to the fact that the figures for net cash inflows for the corresponding period from 1st April' 2018 to 30th September' 2018 as reported in these unaudited financial results have been approved by the Board of Directors and have not been limited reviewed by us.
- 4) This statement is the responsibility of the Company's Management and approved by the Board of Directors has been compiled from the related interim financial statements which has been prepared in accordance with Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS 34), specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial statements based on our review.
- 5) We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement.

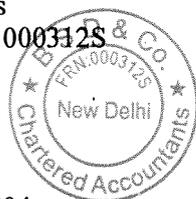


- 6) A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
- 7) *Subject to para no. 2 above*, based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and SEBI Circular dated 5<sup>th</sup> July, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For BSD & Co.  
Chartered Accountants  
Firm Registration No. 000312S



Surendra Khinvasra  
(Partner)  
Membership No. 070804



UDIN: 19070804 AAAA FW 4293

Place of signature: Gurgaon  
Date: 12<sup>th</sup> November, 2019

**KAMDHENU LIMITED**

CIN: L27101DL1994PLC134282

Regd. Office: L-311, Khasra No.724, Street No.7, Mahipalpur Extension, New Delhi-110 037

Corporate Office: 2nd Floor, Tower-A, Building No.9, DLF Cyber City Phase-3, Gurgaon-122 002

Phone no.-0124-4604500 Fax: - 0124-4218524 Email:- kamdhenu@kamdhenulimited.com Website:-www.kamdhenulimited.com

**STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2019**

(Amount in Lakhs)

| Particulars  | Quarter Ended |             | Half Year Ended |             | Year Ended  |
|--|---------------|-------------|-----------------|-------------|-------------|
|  | 30.09.2019    | 30.09.2018  | 30.09.2019      | 30.09.2018  | 31.03.2019  |
|  | (Unaudited)   | (Unaudited) | (Unaudited)     | (Unaudited) | (Audited)   |
| 1 Total Income from Operations   | 23,797.97     | 33,206.97   | 46,095.71       | 73,185.55   | 1,23,239.62 |
| 2 Net Profit for the period before tax and exceptional items   | 422.11        | 806.25      | 1,419.96        | 1,731.93    | 3,494.61    |
| 3 Net profit for the period after tax and exceptional items  | 652.14        | 519.95      | 1,260.57        | 1,111.87    | 2,247.06    |
| 4 Total Comprehensive Income for the period [Comprising Profit/(Loss) for the period (after tax) and Other Comprehensive Income (after tax)] | 653.85        | 515.65      | 1,267.11        | 1,106.82    | 2,255.87    |
| 5 Equity Share Capital   | 2,654.33      | 2,440.00    | 2,654.33        | 2,440.00    | 2,640.00    |
| 6 Earnings per share in rupees: (Not Annualised)   |               |             |                 |             |             |
| - Basic (in Rupees)  | 2.46          | 2.14        | 4.75            | 4.57        | 8.98        |
| - Diluted (in Rupees)  | 2.45          | 2.05        | 4.74            | 4.38        | 8.90        |
| 7 Paid up value of Equity Share Capital (in Rupees) (Face value of Rs.10 each)   | 2,654.33      | 2,440.00    | 2,654.33        | 2,440.00    | 2,640.00    |

- The above results were reviewed and recommended by the Audit Committee & approved by the Board of Directors at their respective meetings held on 12th November, 2019. The financial results for the quarter and half year ended 30th September, 2019 have been limited reviewed by the Statutory Auditors of the Company.
- During the half year ended 30th September, 2019, a major fire broke out in the Paint factory of the Company at Chopanki, Alwar, Rajasthan on the midnight of 27th & 28th April, 2019 due to which the inventory at the factory, property, plant & equipment got damaged substantially. There has been no human casualty in the said fire incidence. The carrying amount as on date of fire of inventories, property, plant & equipment damaged in fire was to the tune of Rs. 45.68 Crores. The inventory, property, plant & equipment so damaged in fire were validly insured and insurance policies were effective as on the date of such fire. The Company has filed insurance claim of Rs. 45 Crores and the process of assessing the claim settlement has been initiated and is underway. The management of the Company is confident that the amount claimed from Insurance Company is certain to be realized based on valid and subsisting insurance policies, accordingly, the Company has recognized insurance claim receivable as on 30th June, 2019 amounting to Rs. 45 Crores (to the extent of amount claimed) in books of accounts and classified as other current financial assets. Any deficit/surplus in the amount of insurance claim shall be recognized as expense/income upon final settlement of the claim. The amount of insurance claim of Rs. 45 Crores recognized and amount of loss of fire amounting to Rs. 45.68 Crores has been grouped in Exceptional item and net amount of loss of Rs 0.68 Crores on account of fire has been shown as "Exceptional Items"(Net) in financial statements.
- Effective 1st April 2019, the Company adopted IND AS 116 "Leases" and applied the same to all Lease contracts existing on 1st April 2019 using modified retrospective method and has taken the cumulative adjustments to Retained Earnings on the date of initial application. Accordingly, the Comparative Figures of Previous periods have not been restated. The cumulative effect of application of standard has reduced the retained earnings by Rs 75.39 lacs (Net of deferred tax asset) on transition date i.e 1st April 2019. For the half year ended 30th September 2019, the implementation of IND AS 116 has resulted in decrease in Profit before tax by Rs 21.98 lacs on account of interest cost and depreciation offset by reversal of lease rent expenses. In the statement of profit and Loss for the current Period, the nature of expenses in respect of operating lease 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 adoption of new standard has resulted in recognition of Right of Use of Rs. 738.67 lacs and lease liability of Rs. 854.55 lacs on 1st April 2019..
- The company has elected to exercise the option permitted under Section 115BAA of Income Tax Act,1961 as introduced by Taxation Laws(Amendment) Ordinance 2019. Accordingly, the company has recognised provision for Income Tax for Six months ended 30th September 2019 and remeasured its deferred tax on the basis of rates as prescribed in the said section. The full impact of the change has been recognised in the statement of profit & loss for the quarter ended 30th September, 2019.
- During the half year ended 30th September 2019, the company had allotted 143250 equity shares of Rs.10 each at an exercise price of Rs.50 each to eligible employees under ESOP scheme 2017 and Listing of such shares on stock exchanges is under process.
- The unaudited financial results of the company for the quarter ended 30th September 2019 are also available on the Company's website (www.kamdhenulimited.com) and on the website of BSE (www.bseindia.com) and NSE (www.nseindia.com) in accordance with the provision of (Listing obligations and Disclosure Requirements) Regulation, 2015.



For and on behalf of the Board of Directors  
Kamdhenu Limited

(Satish Kumar Agarwal)

Chairman & Managing Director

DIN: 00005981

Place: Gurgaon

Date: 12.11.2019



## KAMDHENU LIMITED

### Financial Highlights for H1 FY20

**Brand Turnover stood at Rs. 5,519 crores**

**Royalty Income up 26% Y-o-Y at Rs. 48 crores**

**Franchisee Sales Volumes up 17% Y-o-Y at 12.2 lakh MT**

**Profit Before Tax (Steel Business) up 8% Y-o-Y at Rs. 21 crores**

**Total Profit up 20% Y-o-Y at Rs. 13.3 crores\***

*Investor Release : 12<sup>th</sup> November 2019, New Delhi*

**Kamdhenu Limited**, India's largest manufacturer and seller of branded TMT Bars, in the retail segment, has declared its Unaudited Financial Results for the Quarter and Half Year 30<sup>th</sup> September, 2019.

| Particulars (Rs. Crores)                 | H1 FY20 | H1 FY19 | Y-o-Y  |
|--|---------|---------|--------|
| Royalty Income                           | 47.7    | 37.9    | +26.0% |
| Franchisee Volumes (in Lakh MT)          | 12.2    | 10.4    | +17.3% |
| Profit Before Tax (PBT) – Steel Business | 20.7    | 19.1    | +8.3%  |
| Profit After Tax – Steel Business        | 17.8    | 12.4    | +43.4% |
| Total Profit After Tax*                  | 13.3    | 11.1    | +19.5% |

\* Excluding exceptional loss of Rs. 0.68 crores & includes deferred tax adjustment of 3.24 crores

- The Company has recouped its business strategy by reducing B2B Trading Sales and focus on improving efficiencies in Own Manufacturing and on franchisee-based business model which have led to increased Margins and Better efficiencies with Higher RoE and RoCE
- Steel Business contributed 81% of Revenues whereas 19% is from the Paint Division
- The Company has now started manufacturing in Emulsion Division at its Paint Factory, Chopanki, Alwar, Rajasthan where the manufacturing operations were disrupted due to fire incident

#### Update on the hive-off of the Paint Division

- Our Board has recommended a hive-off of the Paint Division through a de-merger into a separate mirror image shareholding company.
- This is expected to result in independent and better management focus on both the businesses, better operational efficiencies and unlocking value by listing both as different companies.
- The Company is working towards achieving the completion of the de-merger to happen before the end of this financial year



Commenting on the results and performance, **Mr. Satish Kumar Agarwal, Chairman & Managing Director** said:

*“The Company has done well even during these challenging times. The steel sector has faced multiple headwinds with imports from China increasing to a large extent which has caused disruptions in the domestic market.*

*Our volumes has grown by over 17% on back of our great distribution network spread across the country. During the first half, the average prices of TMT bars have reduced by 14% which has led to lower profits in the steel business. However, we were able to grow our PBT in the steel business by 8%, mainly driven by our strong execution strategies and our brand pull, created through our large distribution and marketing strength.*

*The situation in the steel market is now improving, and we are seeing certain green shoots. Traction for TMT bars has improved significantly on account increase in government expenditure on the sector and retreat of monsoons.*

*Our Royalty Income grew by 23% to Rs. 23 crores for Q2 FY20 and it grew by 26% to Rs. 48 crores for H1 FY20. The company is on course to achieve its target of Rs. 100 crores as Royalty Income during this financial year. Along with this we also expect to reach the 5 million MT per annum capacity by FY22.*

*Our adjusted RoE of the steel business as on September 2019 stood 25.34%, an increase of 721 basis points from March 2019. Our RoCE stood at 25.95%, an increase of 151 basis points from March 2019. This has been on the back of a conscious decision on changing our business strategy by way of reducing B2B Trading Sales. The focus has been more on improving efficiencies in Own Manufacturing and on franchisee-based business model which have led to increased Margins and Better efficiencies.*

*Due to the fire at the Paint Factory, we had some disruption in that business. It had been decided on immediate basis to outsource production of the paint products from third party manufacturers at various locations. The Company has ensured the quality standards by deputing its own technical team at the manufacturer’s plant. The paint business have resumed normalcy.*

*In respect to the hive-off of the Paints Division, we are working on getting the necessary approvals and we expect the hive off to be completed by March 2020.”*



## About Kamdhenu Limited

Kamdhenu Group was founded in 1994 with a vision to provide Best Quality TMT Bars at Best Price. Today, led by Mr Satish Kumar Agarwal, the company is the market leader in branded TMT Bars and ‘Kamdhenu TMT Bar’ is the largest selling TMT Bar in India with brand sales turnover of ~Rs. 12,000 crores. Kamdhenu follows franchisee business model to bring more transparency and dynamism to the operations of the company. Kamdhenu has committed chain of over 11,500 dealers and distributors in India out of which 7,500 are exclusive for steel business. Kamdhenu being TMT expert has also launched earthquake resistant Kamdhenu SS 10000 TMT Bar and Kamdhenu Nxt TMT Bar. It has been conferred with India Power Brand 2016, Asia’s Most Promising Brand – 2016, World’s Best Brand 2015 and 2017-18 among Asia & GCC for Steel as well as Paints. ISO 9001:2015 certified company, it is listed on NSE & BSE.

Kamdhenu Paints, one of the leading Paint companies in India, is a division of Kamdhenu Limited. The company is credited for offering best-in-class paint products conforming to global standards. Its product portfolio under the brand KAMDHENU PAINTS-COLOUR DREAMZ includes Exterior Emulsions, Interior Emulsions, Acrylic Distempers, Enamel Paints, Cement Paints, Wall Primers & Putty, and Texture & Designer Finishes, Stainers, P.U. Wood Finishes and Metallic Finishes. Kamdhenu Paints has 4,000 dealers and distributors spread across the country

## Safe Harbor Statement

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

## For further information, please contact

| Company  | Investor Relations Advisors  | Public Relations   |
|--|--|--|
| Kamdhenu Limited<br>CIN: L27101DL1994PLC134282<br>Mr. Harish Kumar Agarwal<br><a href="mailto:hkagarwal@kamdhenulimited.com">hkagarwal@kamdhenulimited.com</a><br><br><a href="http://www.kamdhenulimited.com">www.kamdhenulimited.com</a> | Strategic Growth Advisors Pvt. Ltd.<br>CIN: U74140MH2010PTC204285<br>Mr. Deven Dhruva / Mr. Rohan Adhiya<br><a href="mailto:deven.dhruva@sgapl.net">deven.dhruva@sgapl.net</a> / <a href="mailto:rohan.adhiya@sgapl.net">rohan.adhiya@sgapl.net</a><br>+91 9833373300 / +91 9833219522<br><br><a href="http://www.sgapl.net">www.sgapl.net</a> | Fortuna Public Relations<br><br>Mr. Pankaj Tiwari<br><a href="mailto:pankaj@fortunapr.com">pankaj@fortunapr.com</a><br>+ 91 8447595982 |