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By Nirranjan Mudholkar

STANDING STRONG

The Company expects to maintain annual growth of 20 percent in next three years, says **Satish Kumar Agarwal**, Chairman and Managing Director, Kamdhenu Group

Kamdhenu Group was established in 1994. Briefly tell us something about the beginning of the Group.

Kamdhenu group was founded in 1994 with a vision to provide best quality TMT bars in the market at the best price. We began with a single reinforcement steel bars manufacturing business at Bhiwadi in Rajasthan, and today we have now grown into 75+ manufacturing units across the country. Today, Kamdhenu TMT is the largest TMT selling brand in India in the retail segment, having more than 75 franchisee units and more than 11,500 dealers and distributors out of which 7,500 are exclusive for our steel business.



Tell us about the Group's transformation since then?

Kamdhenu Group has transformed from a single unit operation to being regarded among the best in the business of steel bars and paints in the country. The Kamdhenu model of decentralisation of production through strategic alliances, tie-ups with medium sized manufacturing units and providing technical upgradation, implementation of Quality Management System and effective distribution through the exclusive dealer network has helped the company reach greater heights.

In what way did the Covid-19 outbreak affect Kamdhenu Group's business and operations?

The pandemic caused the operations of our Company come to a grinding halt and caused some serious challenges not only to us but also to the almost all the

industries as a whole. We did not see any sales happening in the last week of March, due to the nationwide lockdown. The impact of all this is evident on our revenue and profitability. With subsequent easing of the lockdown guidelines, we are slowly inching towards normalcy in our operations and are now operating at around 80 percent of our installed capacity and ramping up on a daily basis. We value the safety of our employees, franchise partners and distributors and are following all safety protocols.

How have you been dealing with the same?

Health and safety are two important aspects and any financial or opportunity loss can be regained as long as we have the two. We have been following all safety and social distancing norms as advised by the authorities from time to time. During the lockdown, we have taken steps to ease the burden of our employees and partners most impacted by the lockdown. Apart from providing aid in terms of ration supplies, we have also provided mask, sanitizers etc. to the needy people. We have also assisted central and state governments in the fight against coronavirus by contributing to the PM Cares Fund and by donating safety and sanitising equipment.

How has been the last fiscal for Kamdhenu Group in



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terms of business and what kind of target have you set for the ongoing financial year?

In FY 2020, our brand sales turnover was Rs.10,851 crore, in spite of the lockdown and steep decrease in steel prices. Disruption in operations, man power and supply chain has reflected in lower revenues and profitability. Despite the difficulties, we have managed to achieve a brand turnover of Rs. 1,973 crore and royalty income of Rs.14.7 crore during Q1FY21. During the same period, the paints division reported revenues of Rs. 38 crore, which is lower than expected. Subsequent to the unlock guidelines and phased re-opening of the economy, we are now returning to operating at



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full capacity and working towards a full recovery. We are about to close the second quarter of the current financial year and hopeful that the business environment further improves in the third quarter and we get back to normalcy within the financial year.

What kind of manufacturing footprint does the Kamdhenu Group have? Are you looking to ramp up the capacity in the near future?

We have franchisee manufacturing plants and market presence across the country including in Odisha, Gujarat, Karnataka, Telangana, Andhra Pradesh, Bihar, Goa, J&K, Rajasthan, Uttar Pradesh, Uttarakhand, Himachal Pradesh, Punjab, West Bengal, Jharkhand, MP, North-eastern region and other states. We are looking at expansion into new and existing territories according to market demand and needs.



What are your plans for the Group's expansion?

We are actively looking at expanding our product portfolio and operations through franchisee route, into new territories. Any expansion will have to factor in market dynamics and we are evaluating new areas of expansion as per market demand and supply scenario.

What is your view about initiatives like 'Make in India' and 'Atmanirbhar Bharat'?

Initiatives like 'Make in India' and 'Atmanirbhar Bharat' are just what we needed to become a resilient and strong economy. Self-sufficiency in all aspects is desirable and targeted policies adopted by the government towards achieving the same are welcomed, and need to be supported by everyone.

Where do you see Kamdhenu Group three years down the line?

While three years may be too short a time for any meaningful development considering the current situation, Kamdhenu group will continue to deliver good quality products at good prices to customers across the country. The company expects to maintain annual growth of 20 percent in next three years. 📈