



KAMDHENU LIMITED

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS FINANCIAL YEAR 2022-23

Date: 15th March, 2023

Time: 2:30 P.M. (IST)

Venue: Pride Plaza, Aerocity, New Delhi



Introduction

Pursuant to the Company's 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.

A stylized illustration on the left side of the slide shows a person in silhouette climbing a large gear. The gear is divided into three colored sections: blue at the top, yellow on the right, and red on the left. The person is holding onto a rope that is attached to the gear.

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.

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.
- ❑ As per Regulation 23(2) of SEBI Listing Regulations all Related Party Transactions and subsequent material modifications shall require prior approval of the Independent Directors in the Audit Committee.

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 was mainly engaged in two segments viz. Steel and Paints Business.
- Both segments were different from each other and thus the nature applicable on the Company had two folded perspective one is Steel Segment and other in Paint Segment.
- Pursuant to the approval of the Hon'ble National Company Law Tribunal, Chandigarh Bench, vide its order dated 3rd June, 2022, the paint segment of the company got demerged into the Kamdhenu Colour and Coatings Limited. The Company is now primarily working in its Steel Segment.
- 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.

Kamdhenu Limited



Steel Division

Paint Division

Manufacturing TMT
120000 MT
at Bhiwadi, Rajasthan

Franchisee Asset
Light Business
Model
43 lakhs MT

Demerged to Kamdhenu Colour
and Coatings Limited pursuant
to the Scheme of Arrangement
w.e.f 01.01.2022.

- 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:

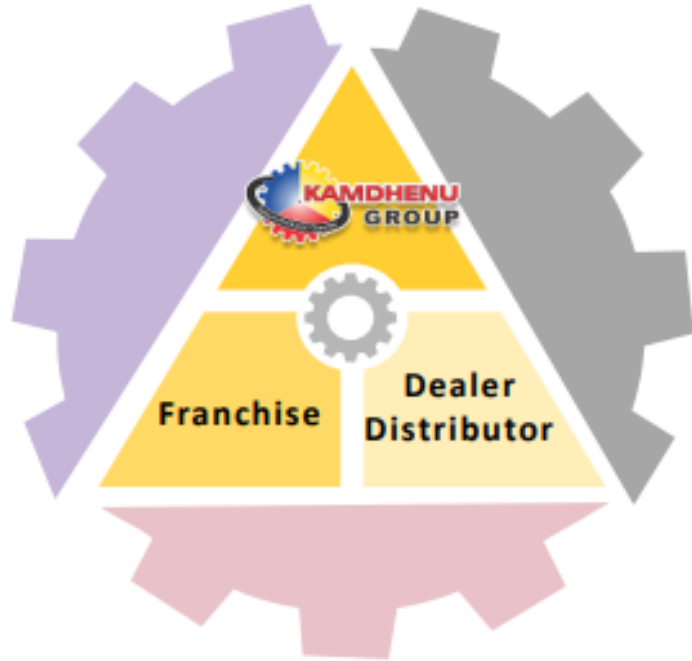


ASSET LIGHT BUSINESS MODEL...



Kamdhenu Group

Innovator – We do Research and introduce new products based on Customer Requirement in the Market



Franchise

Manufactures products based on technology, design and quality specifications provided by Kamdhenu

Dealers / Distributors

Committed chain of Dealers and Distributors connected with Franchisee / Sales Depot created by Kamdhenu

Hierarchy of Marketing Network

Franchisee

Every franchisee is allowed to sell its product in a particular region which is its designated geographical area. Franchisee has to sell through particular distributors.

Distributor

Every distributor is also assigned a particular region which is its designated geographical area

Dealer

Every distributor shall facilitate the supply to a set of dealers in the said designated geographical area on exclusive basis

Financials Positions Q3 9M FY 22-23



Rs. In Crs.

Revenues from Operations

Rs. 182.7 Crores



+23% YoY

EBITDA

Rs. 17.1 Crores



+60% YoY

PAT

Rs. 12.0 Crores



+83% YoY

Q3 FY23

Revenues from Operations

Rs. 565.2 Crores



+36% YoY

EBITDA

Rs. 44.8 Crores



+26% YoY

PAT

Rs. 30.3 Crores



+19% YoY

9M FY23

Q3 9M FY23 - Statement of Profit & Loss



Particulars (Rs. Crores)	Q3 FY23	Q3 FY22	Y-o-Y	9M FY23	9M FY22	Y-o-Y
Revenue from Operations	182.7	149.0	23%	565.2	414.4	36%
Cost of materials consumed	131.9	98.1		399.9	287.4	
Purchases of stock-in-trade	5.2	12.0		25.9	19.7	
Changes in inventories	-1.0	0.9		2.2	1.0	
Total Raw Material	136.0	111.0		428.0	308.1	
Gross Profit	46.6	38.0	23%	137.2	106.3	29%
GP Margin (%)	25.5%	25.5%		24.3%	25.6%	
Employee Expenses	10.7	9.8		31.4	27.7	
Other Expenses	18.8	17.5		61.0	43.0	
EBITDA	17.1	10.7	60%	44.8	35.7	26%
EBITDA Margin (%)	9.4%	7.2%		7.9%	8.6%	
Other Income	0.5	0.4		0.8	2.8	
Depreciation	1.2	1.2		3.5	3.5	
EBIT	16.5	9.9	67%	42.2	35.0	21%
EBIT Margin (%)	9.0%	6.6%		7.5%	8.4%	
Finance Cost	0.4	0.9		1.7	2.7	
Profit before Tax	16.1	9.0	80%	40.5	32.3	25%
PBT Margin (%)	8.8%	6.0%		7.2%	7.8%	
Tax	4.1	2.4		10.2	6.9	
Profit After Tax	12.0	6.6	83%	30.3	25.4	19%
PAT Margin (%)	6.6%	4.4%		5.4%	6.1%	

Balance Sheet HY1



Particulars (Rs. Crores)	Sep-22	Mar-22
Equity		
Equity Share Capital	26.9	26.9
Other Equity	116.8	95.4*
Total Equity	143.7	122.4
Non Current Liabilities		
Financial Liabilities		
Borrowings	0.6	1.1
Lease Liabilities	3.2	3.8
Other Liabilities	5.4	5.3
Provisions	3.0	3.1
Deferred Tax Liabilities (Net)	1.2	2.4
Total Non Current Liabilities	13.4	15.7
Current Liabilities		
Financial Liabilities		
Borrowings	21.1	36.9
Lease Liabilities	1.1	1.0
Trade Payables	26.8	17.7
Other Financial Liabilities	5.9	5.1
Other Current Liabilities	4.0	5.9
Provisions	0.5	0.5
Current Tax Liabilities (Net)	0.7	0.1
Total Current Liabilities	60.0	67.3
Total Equity and Liabilities	217.1	205.4

Particulars (Rs. Crores)	Sep-22	Mar-22
Non Current assets		
Property, Plant and Equipments	44.5	45.2
Right of Use Assets	2.6	3.1
Investment in property	0.5	0.0
Financial Assets		
Investment in Subsidiary	0.0	0.0
Other Investments	4.7	2.0
Loans	0.1	0.2
Other Financial Assets	2.7	2.5
Other Non-Current Assets	10.5	9.9
Total Non Current Assets	65.6	62.9
Current Assets		
Inventories	17.1	16.4
Financial Assets		
Investment	9.5	9.7
Trade Receivables	96.1	90.0
Cash and Cash Equivalents	3.4	2.0
Bank Balances	0.4	0.3
Loans	3.7	0.0
Other Financial Assets	0.0	0.1*
Other Current Assets	21.3	23.9
Total Current Assets	151.5	142.4
Total Assets	217.1	205.4

* Re-grouping done due to demerger of Paints Business for comparison purpose

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

Kamdhenу Limited





DETAILS OF FAMILIARISATION PROGRAMMES TO INDEPENDENT DIRECTORS

[Pursuant to Regulation 25 and 46 of SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015]

Kamdhenu Limited has a familiarization programme for its Independent directors with emphasis on:

- Introducing the Independent directors with the nature of the industry in which the company works;
- Roles, rights and responsibilities of the Independent Directors emphasizing the dynamics and functioning of the Board;
- Informing the strategy, mission and vision on which the company works.

S.No	Name of the Independent Director	Purpose of the Programmes	No. of Programmes attended by the Independent Director		No. of hours spent by Independent Directors	
			During the FY 2022-23	Cumulative till date	During the FY 2022-23 (HH:MM)	Cumulative 2015-23 (HH:MM)
1.	Shri Ramesh Chand Surana	1. Update regarding scale and details of operations of the Company. 2. Updating on recent changes in the regulatory framework. 3. Review of Business Model and updating on new project by the Company. 4. Updating on Rights and responsibilities of Independent Directors in line with the statutory amendments	1	8	01:00	06:25
2.	Smt. Pravin Tripathi		1	1	01:00	01:00
3.	Shri Ramesh Chandra Jain		1	4	01:00	03:25
4.	Shri Madhusudan Agarwal		1	2	01:00	01:50