



KAMDHENU LIMITED

Strong Performance in H1 FY19

Revenue Growth of 47% to Rs. 732 crores

Profit Before Tax grew 89% to Rs. 17 crores

Profit after Tax grew 89% to Rs. 11 crores

Particulars (Rs. Crores)	Q2 FY19	Q2 FY18	Y-o-Y	H1 FY19	H1 FY18	Y-o-Y
Net Revenue from Operations	332.1	270.9	23%	731.9	497.7	47%
Profit Before Tax (PBT)	8.1	4.8	66%	17.3	9.1	89%
Profit After Tax	5.2	3.1	66%	11.1	5.9	89%

Press Release : 13th November 2018, New Delhi

Kamdhenu Limited, India's largest manufacturer and seller of branded TMT Bars has declared its Unaudited Financial Results for the Quarter and Half year ended 30th September, 2018

Highlights for Q2 FY19

- **Revenue up 23% to Rs. 332 crores** as compared to Rs. 271 crores in Q2 FY18
- **Profit before Tax up 66% to Rs. 8 crores** as compared to Rs.5 crores in Q2 FY18
- **Profit after Tax up 66% to Rs. 5 crores** as compared to Rs. 3 crores in Q2 FY18
- **Royalty Income through Franchisee's is up by 25% to Rs. 19 crores** as compared to Rs. 15 crores in Q2 FY18
- Steel Business contributed **83.3%** of Revenues whereas **16.7%** is from the Paint Division

Highlights for H1 FY19

- **Revenue up 47% to Rs. 732 crores** as compared to Rs. 498 crores in H1 FY18
- **Profit before Tax up 89% to Rs. 17 crores** as compared to Rs.9 crores in H1 FY18
- **Profit after Tax up 89% to Rs. 11 crores** as compared to Rs. 6 crores in H1 FY18
- **Royalty Income through Franchisee's is up by 32% to Rs. 38 crores** as compared to Rs. 29 crores in H1 FY18
- Steel Business contributed **85.7%** of Revenues whereas **14.3%** is from the Paint Division



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

“Our performance in H1 FY19 has been stupendous. Revenues grew by 47% to Rs. 732 crores and our Net Profits improved by 89% to Rs. 11 crores. This was mainly driven by our strong execution strategies supported by strong demand for infrastructure development. Growth was on account of our brand pull created through our large distribution and marketing strength.

During the quarter our Royalty income increased by 32% to Rs. 38 crores. Our aim is to have a royalty income of over Rs.100 crores by 2020. Through our franchisees, we are looking to double our brand production capacity to 5 million MT per annum in the next 3-5 years.

During the first half 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 lead to increased Margins and Better efficiencies with Higher RoE and RoCE. It has helped reduce Working Capital requirements also.

With high infrastructure growth expected, the demand for TMT Steel Bars would grow faster. We expect Kamdhenu to benefit a lot from the same.

During the first half, our Revenues in the paint segment grew by 28% to Rs. 105 crores and EBIT grew by 90% to Rs. 2 crores. Growth was led by increased sales of value added products.

Our Board has recommended a hive-off of the Paint Division through a de-merger into a separate mirror image shareholding company. This would result in independent and better management focus on both the businesses, better operational efficiencies and unlocking value by listing both as different companies.”



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. 8,000 crores. Kamdhenu follows franchisee business model to bring more transparency and dynamism to the operations of the company. Kamdhenu has committed chain of over 10,500 dealers and distributors in India out of which 6,500 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 and World's Best Brand 2015.

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 CIN: L27101DL1994PLC134282 Mr. Harish Kumar Agarwal hkagarwal@kamdhenulimited.com www.kamdhenulimited.com	Strategic Growth Advisors Pvt. Ltd. CIN: U74140MH2010PTC204285 Mr. Deven Dhruva / Mr. Rohan Adhiya deven.dhruva@sgapl.net / rohan.adhiya@sgapl.net +91 9833373300 / +91 9833219522 www.sgapl.net	Fortuna Public Relations Mr. Pankaj Tiwari pankaj@fortunapr.com + 91 8447595982