



REDEFINING POTENTIAL

Kamdhenu Limited

Annual Report 2020-21



All about Kamdhenu Limited

We explain who we are, where we operate, our business model and strategy, corporate action and a summary of how we performed.

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Financial Section

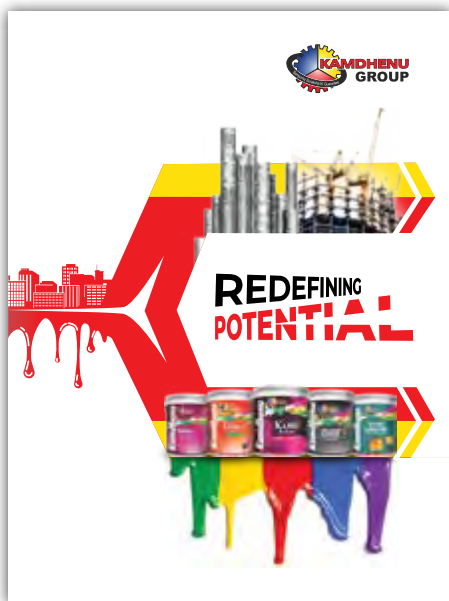
This section contains the financial statements, the auditors' report, the accounting policies and the notes forming part of the accounts.

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The cover depicts two different business verticals taking two different paths. With this, Kamdhenu Limited intends to guide its stakeholders about their transformational journey which has just begun through the demerger of the paint business division from the parent Company to a separate entity which would redefine the potential of each business division independently. Kamdhenu Limited in its over two-and-a-half decades of existence has been showing the much-needed business agility to stay ahead of the curve and emerge stronger. Over the years, under the leadership of its experienced Promoters and Senior Management, it has adopted unconventional business practices which are unique in nature and are the guiding force of their growth. Stepping in 2021-22 and beyond, the Company aims to renew its strategic intent and move ahead with agility.

At Kamdhenu Limited, we have always believed that the world is changing dynamically and as a future-focused organization we would be ready to face such socio-economic changes. While doing business in one of the most competitive and fastest growing global economies with a wider range of economic reforms, rapid urbanisation, infrastructure development and a growing aspirational population, always inspire us to think afresh and reimagine our future road map.

This Annual Report establish our initiatives to

Redefine our Potential

and create a true value for all stakeholders.

Market Capitalization as

at 31st March, 2021:	: ₹ 375 Crores
CIN:	: L27101HR1994PLC092205
BSE Code:	: 532741
NSE Symbol:	: KAMDHENU
Dividend Declared:	: 8%
AGM Date:	: 27th September, 2021
AGM Mode:	: VC/OAVM

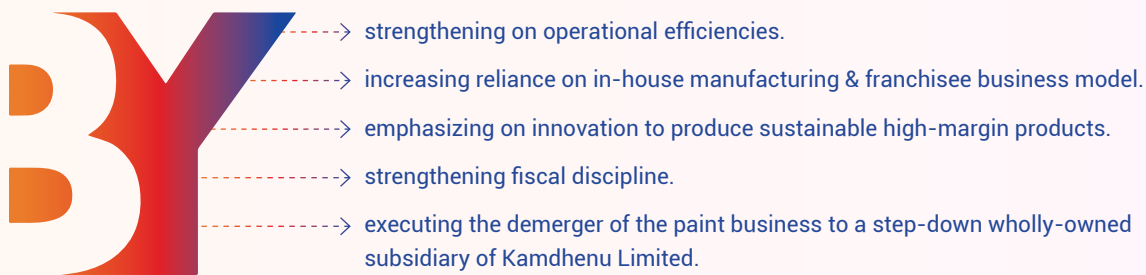


www.kamdhenulimited.com

At Kamdhenu, it would have been reasonable for us to continue into the future with a strategy that had worked well for us in the past.

However, this is precisely what we did not do when the sectoral growth halted amidst the tough and turbulent weather of a global pandemic and a challenging economy.

With a true vision and government's impetus on infrastructure creation which is going to accelerate growth in the near future, we at Kamdhenu Limited embarked on some growth-oriented initiatives:



These exclusive propositions would drive us ahead to capitalize more on opportunities, strengthen margins, enhance stakeholders' value and emerge as the most preferred and trusted vendor in our segment.



A few words on Kamdhenu Group

Kamdhenu Limited, is a part of Gurgaon-based Kamdhenu Group, engaged in the Steel & Paint manufacturing business. Kamdhenu Limited (part of Kamdhenu Group) was incorporated in the year 1994 in the name of Kamdhenu Ispat Limited. During 1995 the group took its first plunge in the Infrastructure & Construction Sector by establishing a single Reinforcement Steel Bar manufacturing unit in Bhiwadi, Rajasthan. During the year 2006, Kamdhenu Ispat Limited entered into the capital market with its IPO and was subsequently listed at BSE and NSE. During 2008, Kamdhenu Paints a unit of Kamdhenu Ispat Limited established its production unit at Chopanki, Rajasthan, with its state-of-the-art technology and also with modern research and development facilities. During the year 2016, Kamdhenu Ispat Limited was renamed to Kamdhenu Limited. Today the Company is headed by Shri Satish Kumar Agarwal, Shri Sunil Kumar Agarwal, Shri Saurabh Agarwal and Shri Sachin Agarwal and has become a generic name in the entire iron & steel

Kamdhenu Facts

- One of the leaders in Steel & Paint sector.
- Pioneered franchisee manufacturing model in steel industry segment where "Kamdhenu" equips independent manufacturing entities to manufacture and market Kamdhenu range of products with its brand, technology and quality parameters.
- 44 TMT franchisee manufacturing units spread across India.
- 1,20,000 MTPA of steel in-house manufacturing capacity & 38,00,000 MTPA at franchisee units; 30,000 KL per annum of in-house paint manufacturing capacity & 36,000 KLPA is manufactured on contract basis.
- Engaged in the manufacturing, branding and marketing of Kamdhenu TMT, Kamdhenu PAS10000, Kamdhenu NXT & Kamdhenu Colour Max profile colour coated sheets in the steel segment and Colour Dreamz Kamdhenu Paints in the paint segment.
- 8% Dividend during 2020-21.
- Regulatory, quality and compliance standards.
- An ISO 9001:2015 certified Company. Also certified with IS 1786-2008 from the Bureau of Indian standards.
- "Kamdhenu" brand endorsed by leading Bollywood celebrities.
- One of the largest distribution networks across India where the products of the Company are sold through more than 11,500 dealer and 225 distributor network on a pan-India basis.

OUR PHILOSOPHY

Success is a constant journey. Every milestone leads to new accomplishments. Every organization, which sets its eyes on growing big has to incessantly abide by a definite set of work-ethics to raise its credibility in the market. That's why, we at Kamdhenu also believe in living up to a set of conventions and follow them conscientiously in each and every sphere of our activities.

OUR PRINCIPLES



Honesty



Quality Assurance



Transparency



Customer Satisfaction



Commitment

Corporate Information

BOARD OF DIRECTORS



Shri Satish Kumar Agarwal
Chairman & Managing Director



Shri Ramesh Chand Surana
Independent Director



Shri Sunil Kumar Agarwal
Whole-Time Director



Shri Ramesh Chandra Jain
Independent Director



Shri Saurabh Agarwal
Whole-Time Director



Shri Madhusudan Agarwal
Independent Director



Shri Sachin Agarwal
Whole-Time Director



Smt. Nishal Jain
Independent Woman Director

Chief Financial Officer



Shri Harish Kumar Agarwal





AUDIT COMMITTEE

Shri Madhusudan Agarwal

Chairman

Shri Sunil Kumar Agarwal

Member

Shri Ramesh Chand Surana

Member

Shri Ramesh Chandra Jain

Member

STAKEHOLDERS RELATIONSHIP COMMITTEE

Shri Ramesh Chand Surana

Chairman

Shri Saurabh Agarwal

Member

Smt. Nishal Jain

Member

NOMINATION & REMUNERATION COMMITTEE

Shri Ramesh Chand Surana

Chairman

Shri Madhusudan Agarwal

Member

Shri Ramesh Chandra Jain

Member

Smt. Nishal Jain

Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Shri Satish Kumar Agarwal

Chairman

Shri Sunil Kumar Agarwal

Member

Smt. Nishal Jain

Member

REGISTERED OFFICE

CIN: L27101HR1994PLC092205

2nd Floor, Tower - A, Building No. 9,

DLF Cyber City, Phase-III,

Gurgaon - 122002, Haryana

Telephone: +91-124-4604500

Email: kamdhenu@kamdhenulimited.com

WORKS

Steel: A-1112 & A-1114, RIICO Industrial Area, Phase-III,
Bhiwadi, Alwar, Rajasthan - 301019, India

Paints: E-538-539A, Industrial Area, Chopanki, District
Alwar, Rajasthan - 301019, India.

BANKERS

State Bank of India

Indian Bank

REGISTRARS AND SHARE TRANSFER AGENT

KFin Technologies Pvt. Ltd.

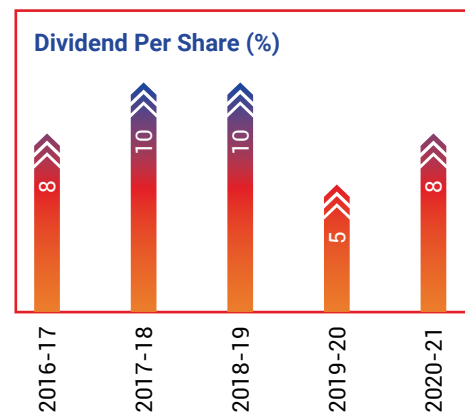
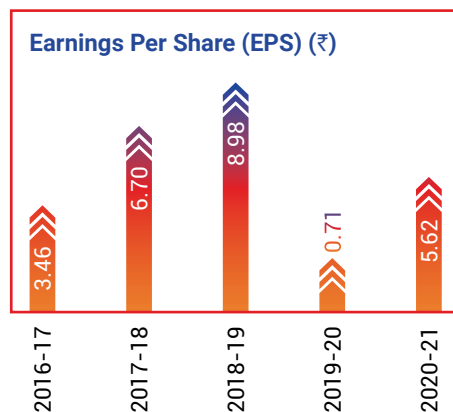
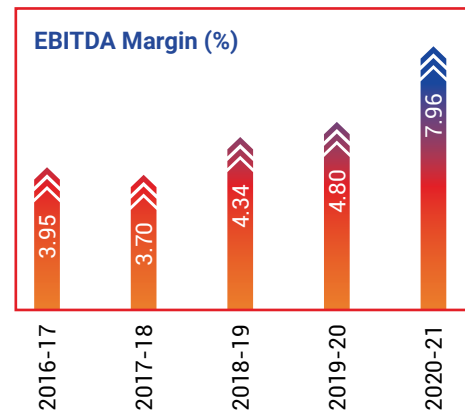
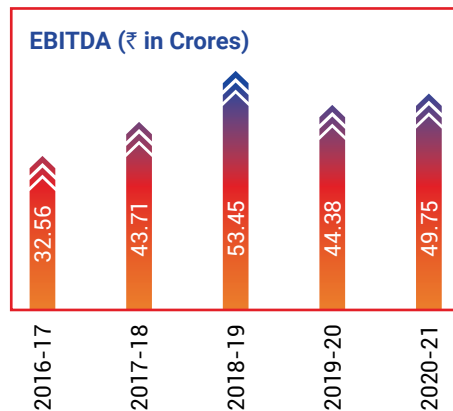
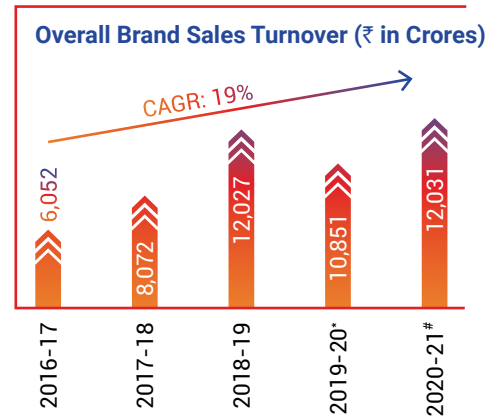
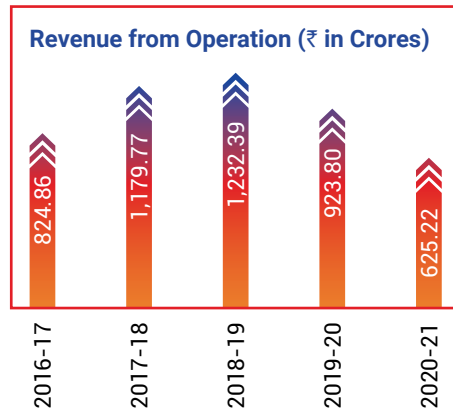
Karvy Selenium, Tower- B, Plot No. 31 & 32

Financial district, Nanakramguda, Serilingampally

Mandal, Hyderabad, Telangana - 500032, India

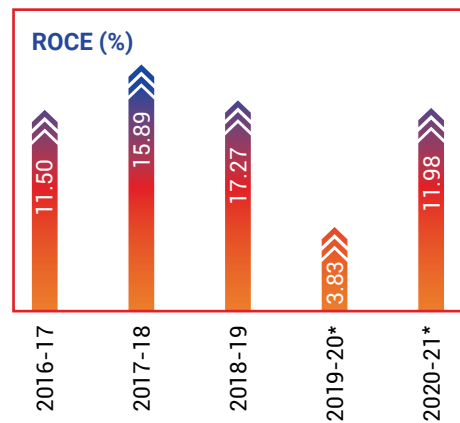
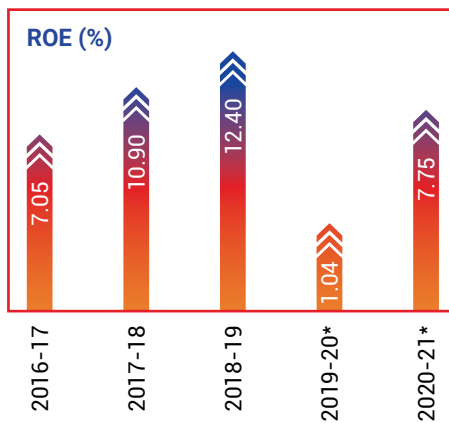
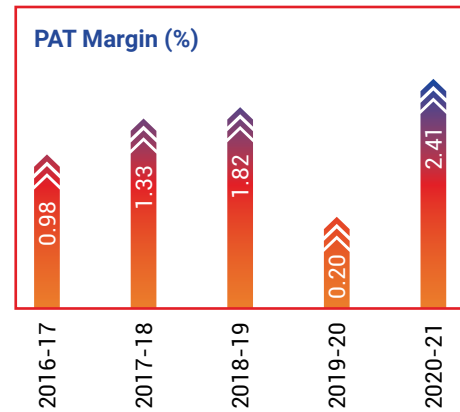
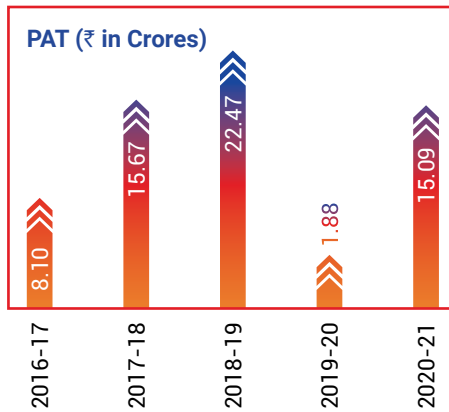
Performance snapshot

The bigger picture of creating value for all our stakeholders drives our strategies and operations. We follow a customer-led approach to business, with a strong focus on sustaining margins and market share. As partners in the nation's progress, we contribute to the economy, as well as the economies of various regions, through our business with franchisee owners, suppliers, through wages, salaries and taxes paid and long-term capital investments.



*Growth in volumes sales increased by 6%, however prices of Steel dropped considerably during FY20

#Despite COVID-19



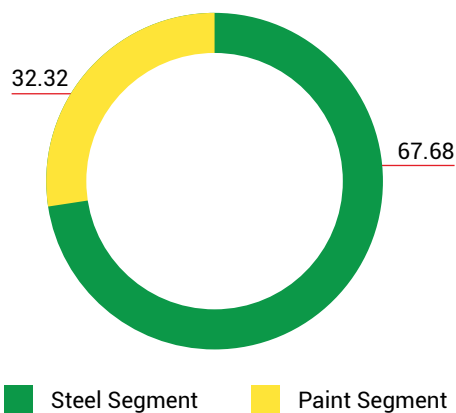
₹ **375** Cr

Market Capitalization during 2020-21

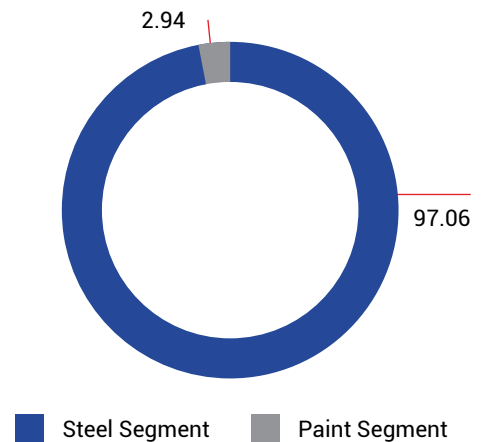
2.54

Interest coverage ratio during 2020-21

SEGMENT-WISE REVENUE BREAKUP (%)



ROYALTY INCOME REVENUE BREAKUP (%)



*After Exceptional Items

6 Facts that stand us apart

Lowest cost business model:

Who says that the low cost business model is not sustainable? At Kamdhenu, we have always demonstrated the opposite. Our in-house production, coupled with our franchisee-based business model have always made us gain high returns with minimum capex and maximum return.

Quality products strengthening recall:

We provide a range of products needed by consumers. We manufacture various grades of TMT Bars, Structural Steel products, Colour Coated Sheets, Pre-engineered building material, Decorative Paints through our owned and franchisee manufacturing locations. We have also received international certifications for various grades of products. The products have been respected for high consistent quality translating into superior compressive strength and corresponding setting time in applications.

**1****2****3**

Brand equity:

"Kamdhenu" is the most visible and reputable brand on a pan-India basis, driven by extensive advertisements, locational presence and strong product quality. As a result of this, our institutional and retail client base has witnessed a steady growth over the years comprising leading infrastructure and real estate companies.



Distribution network:

Our initiatives in regards to providing incentives and value-added technical services resulted in deepening trust among supply chain partners. This enabled us to expand our network and reach remotest areas in the region.

5

Balanced approach:

At Kamdhenu, we balance caution and business aggression. We focus on capital investments and technological know-how sharing that generate an attractive payback compared with the prevailing sectorial average thereby maximising cash flows. The result is that despite our scale, we have kept our debt:equity ratio in manageable levels.

6

4

Management bandwidth:

We believe that our strategic direction is largely influenced by our Board of Directors. In view of this, our Board comprises professionals and industrialists of repute. These individuals have enriched our values, knowledge, economic understanding and strategic bandwidth. Our promoter's guidance in the workings of the Company have led to achieving milestones over the years.

Chairman & Managing Director's insight



We aim to build a robust organization thereby fortifying our topline and bottomline and ensuring a higher return to our stakeholders and remain aloof from any of the industry cycles.



DEAR SHAREHOLDERS,

At Kamdhenu Limited, we have always focused with a single operative mindset - growth of the Company, investors, customers, employees and the people in our surroundings. We have always focused towards strengthening our resources which motivated us to continue growth initiatives underpinned by a robust demand anticipated from the infrastructure sector; reduce the debt burden and enjoy the benefits of the unique franchisee-based business model. We aim to build a robust organization thereby fortifying our

topline and bottomline and ensuring a higher return to our stakeholders and remain aloof from any of the industry cycles.

REDEFINING POTENTIAL

The biggest initiative taken by us during the current fiscal year was the implementation of the proposal to de-merge the Company across two verticals – steel division including TMT Bars, Structural Steel products, Colour Coated Sheets, Pre-engineered building material and decorative paint business which includes interior, exterior, emulsions, textures, designer paints and all varieties of paints. Once the scheme is implemented, the

new business entity would emerge as Kamdhenu Colour and Coatings Limited (however, the shares will be issued by its immediate holding company i.e. Kamdhenu Ventures Limited which in turn is the WoS of Kamdhenu Limited) and the main Company Kamdhenu Limited would continue to cater to the steel segment.

The overall objective of this demerger is to reorganize the organizational focus, reinforce fundraising capabilities, emerge stronger across both businesses and enhance respective values in a way which would not have been possible in our merged manifestation. One more potential viewpoint that emerges



from this demerger is, both of the Companies cater to the infrastructure and real estate sector, their mode of branding, capital requirements, nature of risk, competition, human skill set requirements, etc differ. Through the proposed demerger, investors would get a chance to back the business they would be interested in. This would instil transparency amongst the investors and would thus redefine the potential of the two entities separately through their respective market capitalization, growth plans, individual competencies, growth prospects in-line with their sectoral potential.

ECONOMIC REVIEW

Following the initial rebound in mid-2020, the global economic recovery has slowed, whereas activity and trade in the goods sector have improved, the services sector remains weak. Most commodity prices have rebounded from their Q1 and Q2 2020 lows as strict lockdowns have started being lifted and demand firmed. Global GDP growth is projected to be 6% in 2021 and 4.4% in 2022, with global output rising above the pre-pandemic level by mid-2021. Advanced economies are projected to grow at a pace of 5.1% and emerging & developing economies by 6.7%, through proper pandemic management, effective vaccination rollouts and continued monetary policy accommodation.

India's GDP (Gross Domestic Product) growth is expected to be in the range of 7.5% to 12.55% during FY 2021-22 (FY 22). For the fiscal year 2020-21, GDP contraction is estimated at 8% as against growth of 4% during FY 2019-20. Over the next 2 years the country is expected to steer growth backed by the fact that India vaccinates a significant proportion of the population by mid FY - 2022, thereby bending the infection curve.

STEEL INDUSTRY REVIEW

Over the last decade, India made steady progress as a steel producer, expanding its output from 58 MT in 2008 to 110 MT, growing at double the pace of the world. In this process, it has overtaken Russia, US and Japan to become the world's second largest steel producer after China. The country has the lowest per capita of steel consumption at just 74.3 kg compared to other nations with similar demographics, population count, etc. Keeping this in mind, the Government of India has set an ambitious target of achieving 300 MT of capacity by 2030-31, more than double the current at 142 MT. The country is expected to move ahead with its V-shaped recovery achieved after Q1 of FY 2020-21 on the back of its ambitious target of becoming a 5-trillion dollar economy by 2030. The country is expected to generate a non-linear demand which will eventually outstrip supply from the domestic manufacturers. To meet the vision of National Steel Policy an additional capacity of 30 MT would be needed by 2024-25. As one of the most attractive emerging markets with lowest per capita consumption segments, the country is making accelerated investments primarily driven by Government spending.

PAINT INDUSTRY REVIEW

The domestic paint industry is estimated to be of ₹ 500 billion industry with the decorative paint category constituting almost 75% of the market. India's per capita consumption of paints stood at 4.1 kgs whereas compared to the global average of 13-15 kgs per capita consumption. Added, India's young population represents a huge opportunity with a rapidly increasing middle class and overall population. By 2030, Indian middle class is

expected to have the second largest share in global consumption at 17% which could drive demand for the paint industry. For the past few years, demand in smaller cities and towns has been growing at a faster pace than metro and tier I cities. Going forward, a rise in disposable income, incremental consumption expenditure, and development of the rural markets will fuel the paint industry's growth in these areas.

ENHANCING SHAREHOLDERS VALUE THROUGH FINANCIAL AND OPERATIONAL EFFICIENCY

At Kamdhenu Limited, we strongly believe in enhancing shareholder's value and strive to achieve the same through continuous evolution and upgradation of our efficiencies. During the year under review, our Company reported a Net Turnover of ₹ 625.22 Crores and Profit Before Tax (excluding Exceptional Items) of ₹ 31 Crores Earnings Per Share (EPS) of the Company also stood at ₹ 5.62 per share. Cash flow from operations is ₹ 50.20 Crores

In these challenging and tough times, the world was grappling due to Covid-19 pandemic which led to lockdown during March 2020, which resulted in the disruption of the business operations. However, as the unlocking and easing of restrictions began, business activities started showing healthy sign of growth. With the same, our capacity utilisation at both Bhiwadi and Chopanki units started improving. Our steel segment reported 80,933 MT of production during the current fiscal thereby clocking a revenue of ₹ 337.80 Crores to the Company. Our franchisee based brand sales attained a turnover of ₹ 12,000 Crores This all came in the backdrop of a challenging Q1 of FY 2020-21



due to Covid-19 pandemic.

Our special focus on the paint business has started paying rich dividends. Our paint segment reported 30,318 KL of production contributing ₹ 202.10 Crores to the over sales of the Company during the current fiscal. This was achieved due to a strong demand from Tier 1 metros and urban areas. An improved wedding season also led to a surge for the demand of paints in both urban and rural areas. Although, our operational capabilities at the Chopanki unit have still not been able to achieve full-fledged production due to the fire which struck 2 years back. We have received ₹ 5 Crores, part amount of the insurance claim and we are expecting to receive the full settlement soon. The restoration work of the remaining part of the various plants & machinery is in full swing and we hope to resume

100% operations by mid of FY2022.

BUILDING A ROBUST ORGANIZATION

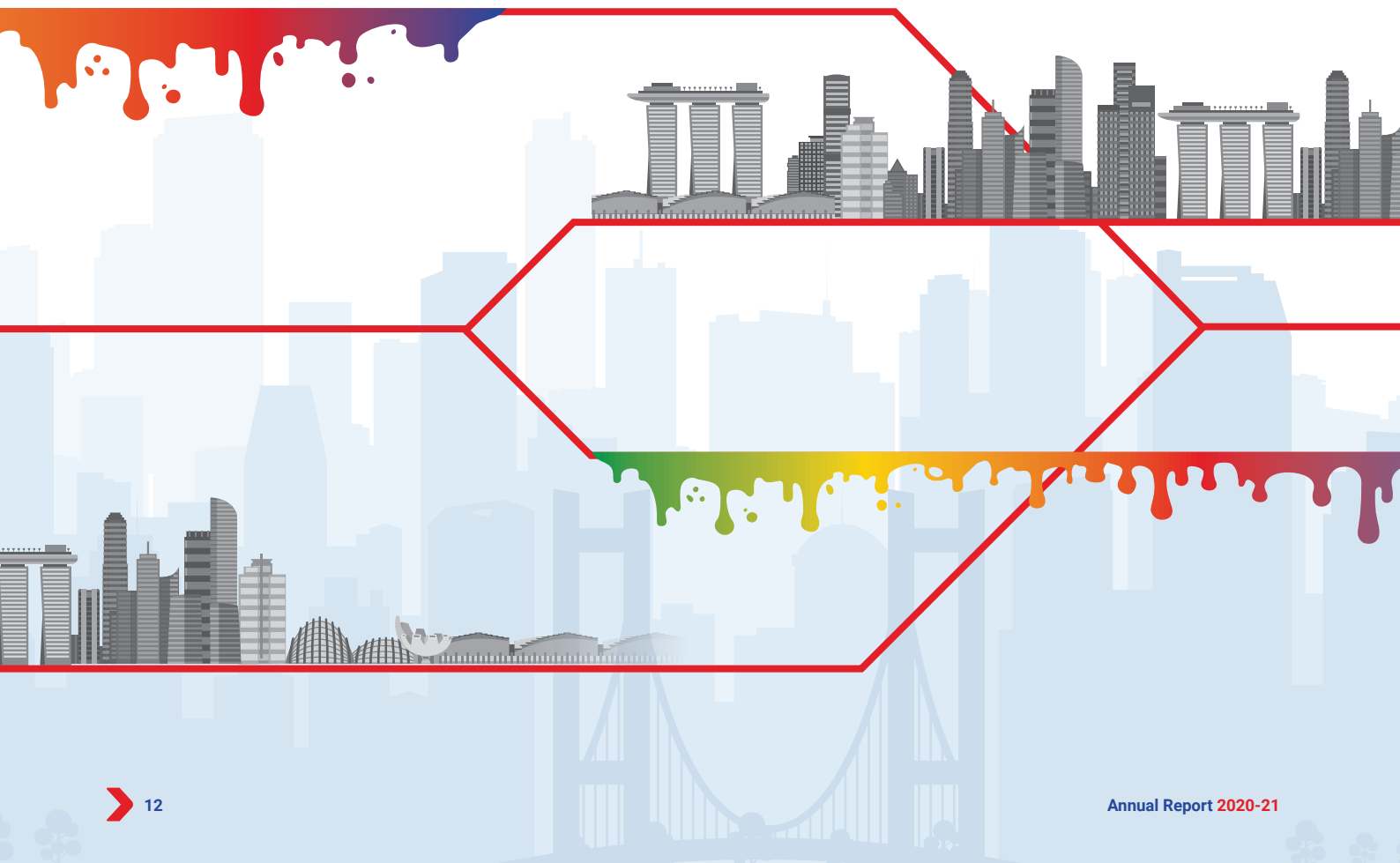
Today, we command a dominant market share in the organized retail segment of the steel and paint industry. Going ahead, we are quite optimistic of sustaining our growth for some interesting reasons.

New categories: We were traditionally a steel manufacturing Company but our gradual shift from single product dependence to multi-layer offerings; introduction of franchisee-based business model has not only made us asset light but has also created a niche for the Company across the markets.

Brand leverage: Today our flagship brands - Kamdhenu TMT, Kamdhenu PAS10000, Kamdhenu NXT & Kamdhenu Colour Max in the steel

segment and Colour Dreamz the paint segment command a leading pie in the market and contributes significantly to our topline. These brands are endorsed by leading Bollywood celebrities. Recently, leading Bollywood actress and entrepreneur Ms. Preity G Zinta has been roped in as the Brand ambassador of the decorative paint division. This collaboration will help enhance the brand's pan-India reach and recall, helping catapult the brand as the preferred consumer choice. Her role also represents a modern woman who performs every role seamlessly.

Organic route: In the steel industry, we are pioneers in the franchisee business. Under this mode, we provide the brand name of Kamdhenu alongwith assistance in technology, quality, consistency and marketing of products. This mode of concept





serves dual purpose- the franchisee units benefit a lot by availing Kamdhenu's brand premium and strong marketing network, while Kamdhenu Limited benefits from the royalty that it gets from these franchisees for using its brand name. The model also gives a unique identity to the franchisee units and helps them in leveraging their level of operations and quality to sustain well amidst rising competition in the steel sector.

Deeper sales penetration: We continued to manufacture steel through a network of 75+ franchisees and sell them proximate to markets of consumption. Thus we were able to sell 23,10,000 MT of steel manufactured by our franchisee's generating a total royalty of ₹ 85.30 Crores during the current fiscal.

"KAMDHENU" TODAY AND TOMORROW

Today, the brand "Kamdhenu" with an accomplished milestone of 25+ years in the steel and decorative paint business has been able to sustain business cycles through the interplay of its passion and maturity. Highest ethical standards in corporate governance, wide gamut of products, extended reach and customer convenience are the hallmarks of our journey to success.

We aspire to align our brands as brands of people's choice and increase our revenue basket to ₹ 22,000 Crores by FY 2023-24.

The future for our Company looks bright even as it passes through competitive times. We are poised to grow much faster in the coming

decades based on our product excellence, human resources, brand equity and market growth. As we gear up for another important phase of growth in these uncertain Covid times, we have no doubt that the Company will continue to enjoy the same dedication and faith from all its stakeholders and associates that will inspire it to reach greater heights and create multi-decades of a solid and steady experience.

Sincerely,

Satish Kumar Agarwal
Chairman & Managing Director

Redefining Potential

through our business model

Resources we rely on

Financial capital

Funding obtained from providers of capital, deployed to invest in our strategy and support business activities.

Manufactured capital

We bring in best-in-class equipment and machinery through owned and franchisee-based manufacturing facilities to ensure we operate with efficiency at all manufacturing locations. This also supports our strong and sustainable cash flow generation.

Intellectual capital

Investment in technology and intellectual capital ensures that the Company remains abreast of development in the industry, ensuring a competitive cost position.

Stakeholders capital

Shared values with key stakeholders ensure that the Kamdhenu brand is synonymous with long-term conservative growth, ethical conduct and value creation for shareholders, franchisee owners, dealers/distributors, employees, Government and regulators.

Social and Natural capital

Relates to natural resources on which we depend to create value and our role in-promoting their conservation.

Inputs that we rely on

- › Revenue from operations ₹ 625.22 Crores
- › Overall Brand sales turnover ₹ 12,031 Crores
- › Bank borrowings ₹ 93.65 Crores

- › Gross Block of ₹ 116.72 Crores
- › Franchisee-based asset light business model

- › One of the first few companies in India with ISO 9001:2015 certification.
- › Kamdhenu PAS10000 TMT bar had been developed
- › ₹ 0.62 Crores spent during the year on various R&D works

- › 858 employees under our payroll
- › Regular compliance adherence to various Government agencies
- › Lean board with 4 Independent Directors for smooth and efficient functioning of various committees and follow strong governance practices
- › 75+ franchisee owners in the steel segment

- › ₹ 0.40 Crores CSR spends
- › Dedicated CSR committee headed by the Chairman to oversee the CSR programmes



Value creation

- › EBITDA of ₹ 49.75 Crores
- › EBITDA Margin of 7.96%
- › PAT Margin of 2.41%
- › Networth of ₹ 194.78 Crores

- › Steel Rebars with production capacity of 38 Lakhs MTPA
- › Structural Steel with production capacity of 5 Lakhs MTPA
- › Colour Coated Profile Sheets with production capacity of 2.5 Lakhs MTPA
- › Kamdhenu Paints with production capacity of 30,000 KLPA

- › Steel rebars manufactured are having 4% less weight than normal TMT Bar added with 20% more strength
- › 9 grades of TMT Bars used in all types of construction works ranging from Buildings to Dams
- › 1,600+ Tinting machines installed at various dealer outlets
- › CNC notch cutting machine ensuring a uniform rib pattern which allows uniform bonding with concrete for the whole structure

- › ₹ 48.05 Crores spent towards salaries, wages and other employees welfare expenses
- › EPS of ₹ 5.62 per share
- › Market Capitalization of ₹ 375 Crores
- › 7,500 dealers in the steel segment and 4,000 dealers in the paint segment

- › Two wind power projects commissioned by the Company during 2006 and 2007 thereby supporting green energy

Key business activities over the years

1994 Incorporation of Kamdhenu Ispat Limited.

1995 Production of Steel Bars.

2000 Conferred with ISO 9001 and BIS1786:1985 certifications.

2004 Introduced Franchisee Association Business Model in steel segment.

2005 Adopted Tempcore technology to manufacture TMT Bars.

2006 Listed at BSE and NSE.

2008 Forayed into Decorative Paints business.

2013-17 Launched various grades of TMT Bars to cater to various sections of customers and later on became the largest selling TMT Bar brand.

Name changed from Kamdhenu Ispat Limited to Kamdhenu Limited.

2018-19 Board's recommendation to demerge the paint division.

Capacity expansion of Bhiwadi unit.

2020 Launched Kamdhenu PAS-10000 Steel Bar.

2021 Implimentation of scheme of arrangements including demerger of paint business of the Company

Redefining Potential

through our asset light business model for long-term value creation

Value creation is a long-term strategy. One has to persist through ups and downs and yet remain focused on the bigger picture. At Kamdhenu, we have strived each day to create value for our stakeholders. Having started two-and-a-half decades ago, we have continuously devised our strategy into creating an ecosystem which continues to take longer

strides. We pioneered the concept of Franchisee Business Model, where we work on a regional front by collaborating with regional manufacturer also known as Franchisee Business Partner. Such partners get access to the Kamdhenu brand, technological access, R&D prowess, well-defined quality standards and the marketing support function.

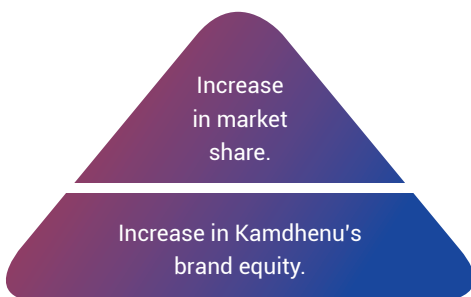
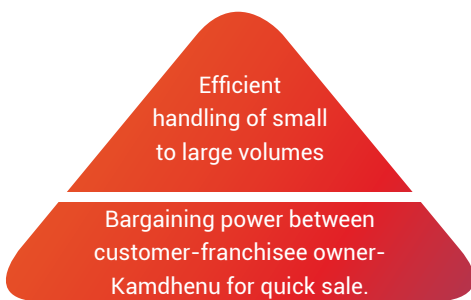
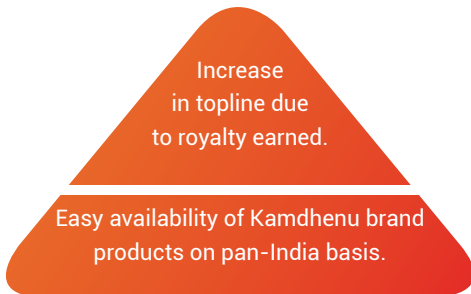


₹ **12,031** Crores
Brand Sales Turnover during 2020-21

₹ **85.33** Crores
Royalty income during 2020-21



LONG-TERM VALUE CREATION FOR KAMDHENU

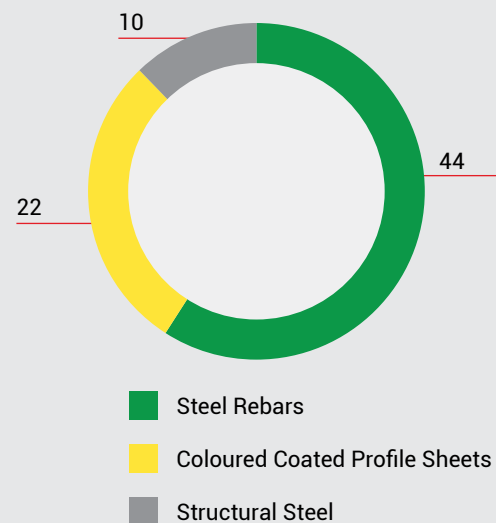


A WIN-WIN SITUATION FOR ALL:

- Franchisee owner gets experience and expertise of an efficient business handling strategy.
- Kamdhenu gets access to a ready marketplace thereby giving fillip to the new entrants as well as unorganized players.
- A centralized publicity module without any hassle for the Franchisee owners towards advertisement spends.
- Franchisee owner gets easy access to bank funds due to their business relation as business partner with Kamdhenu.
- Franchisee owners gets distinctive advantage to their products thereby leading to higher capacity utilization.

NUMBER OF FRANCHISEES

PRODUCT WISE DESCRIPTION



VISION 2023-24

50,00,000 MTPA

Steel production capacity of the franchisee owners

₹ 22,000 Crores
Brand revenue

₹ 150 Crores
Royalty income

Redefining Potential

by setting a blueprint and redefining goals

We at Kamdhenu Limited have always believed that in a highly competitive steel industry, success is derived through capacity growth, finding new customers and markets, extensive business expansion keeps ones revenue growing at a steadfast pace all the time. This led us to enter steel manufacturing during 1995. Further, we realised in order to extend our reach across the nation without any significant capex investment led us to start the unique Franchisee Business Model during 2004. As we grew across every length and breadth in the infrastructure and real estate industry of the country, our customers started asking us for more solutions and then we saw the opportunity in the decorative paints business. We started in-house manufacturing and forayed into this business during 2008. And then there was no looking back.

BUSINESS VERTICAL: STEEL

Kamdhenu Limited is one the leading manufacturers of Steel Rebars, Structural Steel products, Colour Coated Sheets and Pre-engineered building material. We started in-house manufacturing at Bhiwadi, Rajasthan and today our capacity stands at 1,56,000 MTPA. Through 75+ franchisee owners our products are manufactured at 44 units across 31 locations in India.

Kamdhenu PAS10000

Kamdhenu, one of the largest TMT producers in India, is the first company in the country to introduce PAS10000, a state-of-the-art power alloy steel product, to redefine the construction scenario in the country. PAS10000 is BIS and international quality standards compliant and is suitable for making highly durable 10000 PSI concrete. It being alloy steel should not be compared with normal mild steel TMT bar, as the unique properties of PAS10000 is achieved by adding alloying elements in a certain ratio. Its unique Rib design gives interlocking of 360 degree. Kits alloy gives it better rust-proof qualities and gives capability to bear more weight. Alongwith that it also gives double earthquake prevention to the building. The load-bearing capacity of PAS10000 is 28% higher as compared to normal steel. The addition of the micro-alloying elements makes the structure stronger and safer in earthquake prone zones.

Salient features:

- Superior strength
- Improved elongation
- Increased ductility
- Corrosion resistant
- Anti-degradation properties
- Higher strength
- Earthquake resistant
- More strength to sustain fire
- High load resistant
- Superior weldability

Application:

Largely used in construction industry due to its unique features





Kamdhenu Nxt

Kamdhenu Nxt is manufactured with the cutting-edge technology which is on a par with the futuristic national and international quality standards. That is why it bears the privilege of being called a 'Next Generation Interlock Steel'. It is going to change the definition of modern architectural patterns and designs meant for newly engineered structure. Kamdhenu Nxt has got the angular double rib design having obtained all the rights to manufacture, market and sell the exceptionally created double rib TMT bar. With this product, Kamdhenu Limited has reached the zenith of the double rib steel industry.

Salient features:

- Stronger interlock bond
- Advanced earthquake resistance
- Superior thermal resistance
- Corrosion resistance
- High ductile strength
- Compatible with skyline structures
- Extremely economical

Application:

Widely used in concrete reinforcement structures like bridges, flyovers, dams, thermal and hydel plants, industrial towers, skyline buildings, underground platforms etc.



Structural steel

Kamdhenu Limited manufactures structural steel under franchisee arrangement which includes angles, channels, beams, flats, round & square. With lower sectional weight and higher strength technique, these products are highly cost-effective and save steel. These products are 100% recyclable and can be reconverted to any object needing such metal.

Salient features:

- High strength
- High ductility
- Superior bendability, weldability and straightness
- Economic in application
- Easy to join metal together
- Consumes less steel
- Pan India availability through franchisee business model

Application:

Structural steel is used to construct residential and commercial buildings, warehouses, trucks, transmissions, trains, rails and ships, anchor chains, aircraft undercarriages, jet engine components, mining industry structures, marine vehicles manufacturing, wind turbines, electromagnets, transformer cores, etc.





Colour coated Profile Sheets

Color Coated Profile Sheets are the profile sheets with the color coating over the metal surface of these sheets. These profile sheets are manufactured by cold-rolling technique and are hot-dipped galvanized by zinc. Thickness of the colors coated on the surface of these sheets depends on the specific requirements.

Salient features:

- Weather resistant
- Flexible and light weight
- Corrosion resistant
- Thermal insulation
- Durable
- Environment friendly

Application:

Roofing of offices, car parking, warehouses, restaurants, garages, godowns, manufacturing industries etc.



VISION 2021 & BEYOND:

Focus

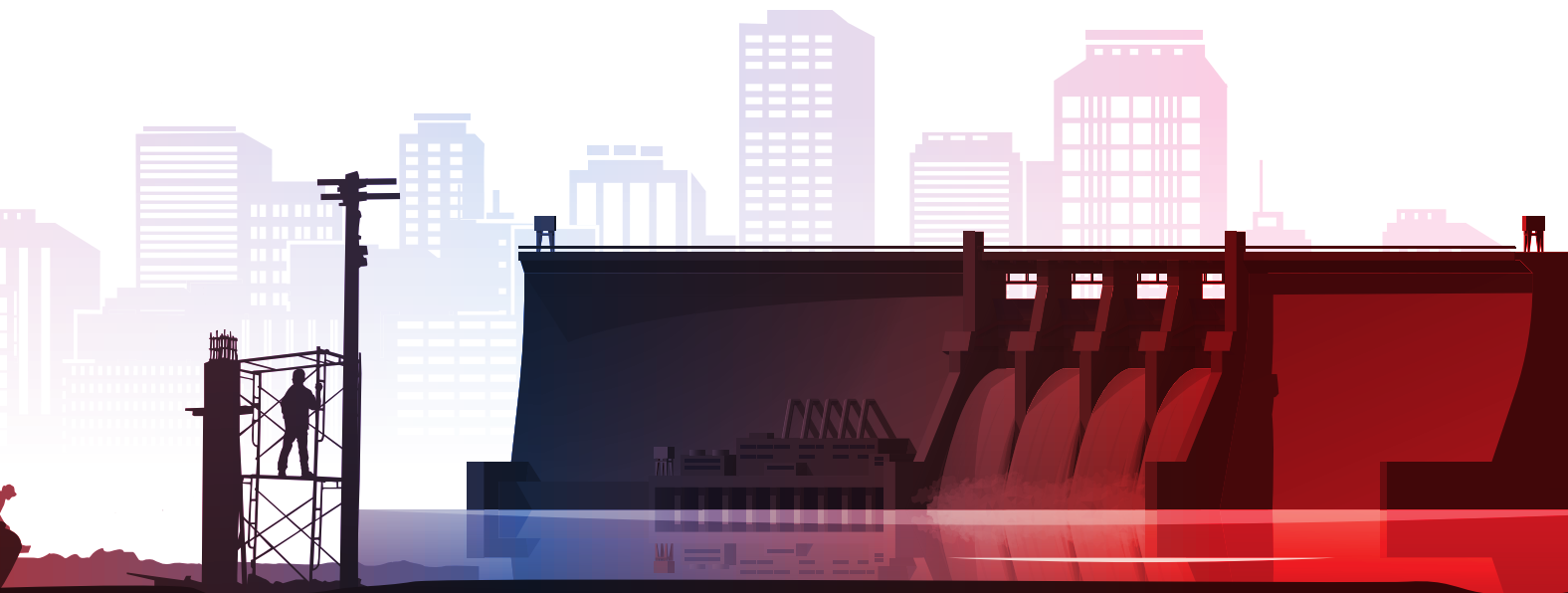
on manufacturing and franchisee business

Reducing

B2B trading sales

Gain

new market and improve market share



BUSINESS VERTICAL: PAINT



Preity G Zinta

Brand ambassador of the decorative paint division

Kamdhenu Paints, a name synonymous to the decorative paints segment, started its journey with COLOUR DREAMZ. This product was widely accepted in every corner of the market including Tier 1, Tier 2, Tier 3 Towns, Urban areas and Rural areas. Today, Kamdhenu Paints is one of the Top 10 paints companies of our country. Our indigenous state-of-the-art production plant is situated at Chopanki, Bhiwadi in the state of Rajasthan. 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.

Dual Paint Series



Kamodual Luxury Emulsion



Kamodual Premium Emulsion



Kamodual Gold Emulsion

Designer Range



Kamo Super Metallica



Kamo Metallica

Exterior Emulsion Range



Weather Supreme



Weather Classic



Kamo Shield



Kamo Star



Kamo Superstar



Kamo Power



Kamo Exteria

Interior Emulsion Range



Kamorich



Velvety



Sheen N Shine



Kamo Silky



Kamo Star



Kamo Beauty



Arcylic Washable Distemper



Kamosilky



Kyson



Bunty

Premium Enamel Paint



Kamolite (High Gloss
Water Base Enamel)



Kamolite (Premium
Enamel Paint)



Babli (Synthetic
Enamel Paint)

Wood Coating Products



Kamwood
Melamine



Kamwood
Polyurethane Wood
Finish



Kamwood NC
Sanding Sealer



Kamoclear
Lacquer



Kamothin
Thinner

Water Proofing Solutions



Kamocret CRP



Kamofin 2K



Kamoproof ALW

Stainers



Kamotint



Kamotint Advance

Colorants



Color Gallery

Wall Putty



Kamoplast
Wall Putty



Kamocare Wall
Putty

Other Products



Kamoshine
(Aluminium Paint)



Kamo Floor Coat (Fast
track Emulsions for
Exterior Floor/Tiles)

OUR WIDESPREAD PRESENCE



Disclaimer: This map is not to scale. It has been drawn for sole purpose of depicting presence of Kamdhenu products in India. This map cannot be considered as the complete map of India.



TWO IS BETTER THAN ONE

We have always believed in a faith that coming together is a blessing and staying together makes one strong. But as the hierarchy levels grew, it started becoming difficult to manage two verticals due to many internal and external factors. Thus we decided that we would need to let our business stand independently.

During FY 2019-20, the Board approved a scheme of arrangement for demerger of the Company's businesses. The objective of the demerger is to unlock value by creating distinct entities for three of its business undertakings, thereby ensuring sharper focus on and better alignment to its customers.

Scheme of Arrangement:

Scheme of Arrangement for Amalgamation of Kamdhenu Concast Ltd, Kamdhenu Overseas Ltd, Kamdhenu Paint Industries Ltd, Kamdhenu Infradevelopers Ltd, Kamdhenu Nutrients Pvt Ltd, Kay2 Steel Ltd and Tiptop Promoters Pvt Ltd with Kamdhenu Ltd; and De-merger of Paint Business of Kamdhenu Ltd into Kamdhenu Colour and Coatings Ltd. Upon the demerger, Kamdhenu Ventures Ltd will issue shares to the Shareholders of Kamdhenu Ltd.

Rationale for Scheme of Arrangement:

All companies are under common management and control.

- The proposed amalgamation would result in business synergy, consolidation and pooling of their resource.
- The proposed amalgamation will simplify and streamline the shareholding structure. The Scheme will enable to remove multiple layers of the holding companies in tune with the Government policy.
- The proposed Amalgamation would result in consolidation of various Group Companies and pooling of physical, financial and human resource of these Companies for the most beneficial utilization of these factors in the combined entity. It would be advantageous to combine the activities and operations of all these Companies in a single entity.
- The amalgamation will result in significant reduction in multiplicity of legal and regulatory compliances which at present is required to be made separately by each Company.
- Kamdhenu Ltd being the Flagship Company of the Kamdhenu Group is engaged in manufacturing, branding, marketing and distribution of KAMDHENU brand products like Steel TMT bars, decorative paints and allied products. Post demerger, two distinct businesses segments in each company would be - Steel Division and Paint Division.
- Steel and Paint Business have substantially different character. Both the business segments require sharper focus and management bandwidth for growth; which is not possible as a single entity. In relation to future fund raise, there are separate set of investors for each of the businesses. The valuation and investment parameters are also different for each of these businesses.
- Tremendous operational efficiencies will be achieved by operating these two businesses as independent entities.
- The proposed de-merger will enable both the Companies to raise necessary funds, invite strategic investors, employ specialized manpower, etc., for the respective businesses.
- It will impart better management focus, will facilitate administrative convenience and will ensure optimum utilization of various resources by these Companies.
- The proposed de-merger will provide scope for independent expansion of these businesses. It will strengthen, consolidate and stabilize the business of these Companies and will facilitate further expansion and growth of their respective businesses.

VISION 2021 & BEYOND:

Visibility

on manufacturing and franchisee business

Tie-up

with contract manufacturer to increase sales penetration in South India

Target

urban market through institutional sales

Redefining Potential

through unequivocal focus on excellence

At Kamdhenu Limited, we recognize that growth does not come from how well we can grow our assets, but how well we can grow our brands, increase our reach and focus on the quality imperative. We work with various associated stakeholders on a long-term perspective. Our above average industry-performance has come from the extension of this value beyond a one-off transaction into a sustainable relationship across the long-term.

BUILDING A REPUTABLE BRAND

A brand is a promise. It makes one committed with a reflection of promise in the said brand. Today how do we effectively communicate with consumers and that too which is prominent and easily recognisable is the main ethos of any powerful brand. With this our continued thrust of marketing encompassed various

ATL (Print media, Television, Cinema Advertising, Radio broadcast, Social Media Post and Celebrity endorsement) and BTL (Sign boards, Bill boards, In store promotion, Bus shelter, Hoardings, Event sponsorship, Press conference, Corporate Film, POP Materials, Dealers-Distributors Scheme, Annual meet, Bollywood events). Such integrated marketing campaigns are strategically aimed towards building a strong brand and expanding the consumer base in the targeted markets.

Newspaper:



Outdoor:



Digital:





Events (Target ka Badhshah):



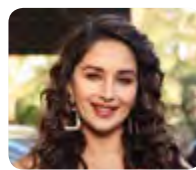
Celebrity affiliations over the years:



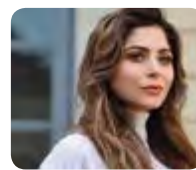
Preity G Zinta



Emraan Hashmi



Madhuri Dixit



Kanika Kapoor



Taapsee Pannu



Kangana Ranaut



Malaika Arora



Sonam Kapoor



Dia Mirza



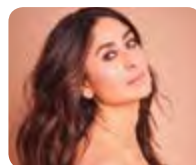
Sonu Nigam



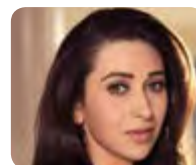
Karishma Tanna



Govinda



Kareena Kapoor



Karisma Kapoor



Anil Kapoor

Hierarchy of Marketing Network



MAKING PRODUCTS AVAILABLE FAR AND WIDE

Economic empowerment and rising aspirations are changing perspectives for better infrastructure and comfortable living. With Government's impetus towards Atma Nirbhar Bharat, Housing for All, etc is going to boost the demand for steel and paint. Kamdhenu is one of the leaders not only due to its manufacturing muscle but also its distribution network backed by its solid Franchisee Business Model. Simply stated, today the Company possesses one of the widest and largest sales and distribution network for its TMT Bar, Structural steel and Color Coated Profile Sheets. Our wide network of distribution channels helps us to remain in touch with our diverse and expanding customer base. This network also keeps us abreast about their changing requirements.

The result:

'Anywhere, anytime' product availability.

11,500+

Registered dealers

225+

Registered distributors

40+

SKUs of Paint division

33

Sales depots

17%

Dealers in Tier 1 cities

71%

Dealers in Tier 2 cities

12%

Dealers in Tier 3 cities

208

Marketing & Sales Professionals



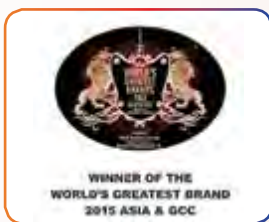
MEETING QUALITY STANDARDS

Our objective is to be recognized as quality enablers. We are committed to deliver products that are benchmarked with quality and at an optimum cost. Our quality implementation efforts are all pervasive, beginning with a stated goal – customer satisfaction and continual quality improvements in all spheres of activity by involvement of every associate. Every quality personnel at our Company as well as at franchisee business quality section are qualified and well trained. The guidelines and protocols laid down by our management ensure that every batch of the products delivered by us is of right quality. Over the years these initiatives have made us won several laurels and accolades.

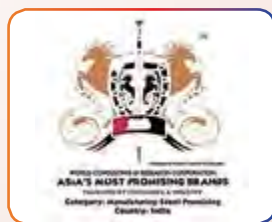
Accreditation

- ISO 9001:2015 certified Company
- Certified with IS 1786-2008 from the Bureau of Indian Standards

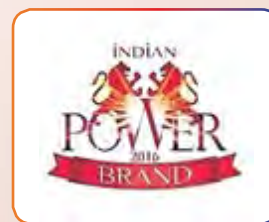
Accolades



World's greatest
brands 2015 amongst
Asia and GCC.



Asia's most promising
brand 2015-16 by the
World Consulting &
Research Corporation.



Indian Power Brand
2016 award.



World's greatest brands
2017-18 amongst Asia &
GCC for steel as well as
paints division.



Redefining Potential

through constant focus on Environment Social and Governance (ESG)

At Kamdhenu Limited, our sustainable business strategies are driven by the need to address the expectations of our stakeholders through mutual dialogue and need-based intervention, while at the same time addressing the priorities of business performance. We are mindful of our commitments towards environment, society including our stakeholders and ensuring prudent governance practices across our business value chain. These pillar of business practices has been the vanguard of business sustainability.



ENVIRONMENT SUSTAINABILITY

Environment sustainability is not just a checklist of our agenda. We work tirelessly ensuring that our activities have a minimal impact on the planet. Today, a large number of iron & steel manufacturers are recognising various economic and environmental benefits through sustainable business practices. Besides various norms and regulations prescribed by central Government has helped reduce key resource depletion, proper landfills, water conservation, pollution control measures amongst others. The result of these realities have also led to alignment of business existence with consuming less and manufacturing more while minimizing the environment impact.





SOCIAL SUSTAINABILITY

Through agile minds

The success of any business is dependent on its people who are part of the enterprise. Almost every endeavour in productivity, quality, research & development, customer centricity are meaningless unless owned and implemented by our team. This realization is the guiding force of our Human Resource policies.

Empowerment, teamwork and disciplined decision making are the hallmarks of our management. Our team consists of various set of people from experienced to young and energetic ones. Our goals are ambitious. Our HR team works to ensure that we recruit, develop and train our team to achieve their peak performance levels and then gradually better them.



Our Human Resource policy includes:

To treat each employee with dignity.

To create an interesting, meaningful, challenging and cordial working environment for our employees.

To increase the productivity of the employees through continuous training and development.

To create awareness and motivate employees on our quality, safety and environmental policies.

The following criteria are being followed by the Company to achieve its Human Resource goals:

- The Company focuses on hiring able professionals, who will drive the organization's level-next growth. The Company has successfully hired professionals both at the senior and junior levels.
- The vision, mission and values of the Company is well communicated to all new recruits and existing employees to create homogeneity in employee aspirations and organizational goals.
- The resources are periodically trained internally and externally, so that new recruits can get innovative ideas and learn about the industry comprehensively.

- Managers are taught about feedback analysis for appropriate appraisal and remedial action. We believe timely appraisals and implementation of the rewards and recognition programme can induce healthy competition.
- Having multi-locational presence (including at franchisees, distributors and dealers), we have taken proactive measures to nurture and train local talent, thereby contributing to the regional economy.
- The Company follows a transparent system of appraisal across all management levels. It follows an open door policy where one can easily give the feedback to the management and vice-versa, thereby checking attrition at various levels.

BEYOND BUSINESS

Whenever we think beyond the industry, we always try to ensure the viability of the economy and the society. In the ultimate analysis, it is the ecosystem that precipitates the seasons, that in turn brings the giving rain. Our commitment towards sustainability is unequivocal and unwavering. For us, they too are an equally vital and inextricable part of our business ecosystem and often provide critical fire for our success. As a responsible corporate citizen, we have always acknowledged and reciprocated our social commitments through a slew of livelihood, educational and health initiatives for the overall welfare of the communities we live in.

Our Company has been consistently contributing with passion and compassion to the positive development of society. Our social activities are not only a pure management directive but something that has been embedded in our core values and principles and is visible across the organization.

PRUDENT GOVERNANCE PRACTICES

At Kamdhenu, our governance philosophies are based on transparency, accountability, values and ethics and are an integral part of the management's initiative in its pursuit towards excellence, growth and value creation. Our commitment towards highest standards of ethical governance practices and disclosure



practices thereby ensure that the affairs are managed in the best interest of all stakeholders.

Being a listed company at various exchanges, we comply with the applicable guidelines of the Listing Regulations, as amended with respect to Corporate Governance, including the appointment of the Independent Directors and constitution of the committees. The Board of Directors functions either as a full Board or through various committees formed to monitor specific operational areas. We also have internal as well as external auditors in place to ensure compliance with all the statutory regulations. We have a strong and active Board of Directors, who ensure the highest level of corporate governance with their experience and knowledge. Our Board of Directors

comprise 8 board members out of which 4 are Independent. The Board meets at least once a quarter to review our performance and provide their valuable insights.

Further, our multiple revenue platforms and cost-management initiatives help us deliver sustainable stakeholder returns. It is a predictable pattern that stakeholders expect from us. We are committed to fulfilling their expectations by strengthening current operations and leveraging future opportunities and de-risking our enterprise from the cyclicity of our multiple business segments and delivering visibility of our income in more ways than one.

We also endeavor to be a responsible corporate citizen, contributing to the country's exchequer.



DIRECTORS' REPORT

Dear Member(s),

The Board of Directors of your Company takes pleasure in presenting the 27th (Twenty Seventh) Annual Report on the business and operations of the Company together with the audited Standalone & Consolidated Financial Statements and the Auditor's Report thereon for the FY 2020 -21 ("during the year under review").

1. FINANCIAL HIGHLIGHTS OF THE COMPANY

The financial performance of the Company for the year ended 31st March, 2021, on a Standalone and Consolidated basis, is summarized below:

Particulars	Standalone		Consolidated	
	2020-21	2019-20	2020-21	2019-20
Revenue from Operations	62,522.13	92,379.23	62,522.13	92,379.23
Other Income	349.38	64.43	349.38	64.43
Total Revenue	62,871.51	92,443.66	62,871.51	92,443.66
Total Expenses	59,772.17	89,969.57	59,773.68	89,970.53
Profit before Exceptional Items and Tax	3,099.34	2,474.09	3,097.83	2,473.13
Total Tax Expenses	586.86	(233.10)	586.84	(233.10)
Profit for the Year	1,509.11	188.25	1,507.62	187.29
Total Comprehensive Income for the Year	1,503.36	197.34	1,501.87	196.38
Paid up Capital (₹ 10 each fully paid-up)	2,693.55	2,654.33	2,693.55	2,654.33
Earnings per Share of face value of ₹ 10 Each				
Basic (In ₹)	5.62	0.71	5.62	0.71
Diluted (In ₹)	5.62	0.70	5.62	0.70

2. OPERATING RESULTS AND STATE OF AFFAIRS OF THE COMPANY ON STANDALONE BASIS

The Annual Audited Financial Statements for the financial year ended 31st March, 2021 have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind-AS) prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable. Necessary disclosures as regards to the key impact areas & other adjustments upon transition to Ind-AS reporting have been made under the Notes to Financial Statements.

Your Company's revenue from operations reached ₹ 62,522.13 Lakhs during the year under review as against ₹ 92,379.23 Lakhs during the previous Financial Year, a decline of around 32.32% year on year. The total income declined around 31.99% from ₹ 92,443.66 Lakhs in FY 2019-20 to ₹ 62,871.51 Lakhs in FY 2020-21.

The total expenses in FY 2020-21 decreased by around 33.56% to ₹ 59,772.17 Lakhs as compared to ₹ 89,969.57 Lakhs in FY 2019-20, mainly on account of sales volume and consequent expenses.

Profit before Exceptional Items and Tax recorded at ₹ 3,099.34 Lakhs in FY 2020-21 compared to ₹ 2,474.09 Lakhs in FY 2019-20. Profit for the year recorded at ₹ 1,509.11 Lakhs in FY 2020-21 compared to ₹ 188.25 Lakhs in FY 2019-20. Total Comprehensive Income for the year recorded at ₹ 1,503.36 Lakhs in FY 2020-21 compared to ₹ 197.34 Lakhs in FY 2019-20.

The Basic Earnings per Share (EPS) to reached ₹ 5.62/- as compared to ₹ 0.71/- in the previous financial year.

The Company considers its business segments as the primary segments to monitor the performance of each of its business segments on regular basis and therefore these have been considered as reportable segments under Ind-AS 108 on Segment Reporting. The reportable Segments represent "Steel" and "Paints". The financial numbers given below for each of the business segments are as per Ind-AS.

Segment wise Revenue, Results, Assets and Liabilities

(₹ in Lakhs)

Particulars		Standalone		Consolidated	
		Year Ended 31st March, 2021	Year Ended 31st March, 2020	Year Ended 31st March, 2021	Year Ended 31st March, 2020
A.	Segment Revenue				
	- Steel	42,314.94	73,349.48	42,314.94	73,349.48
	- Paints	20,207.19	19,029.75	20,207.19	19,029.75
	Gross Revenue from Operations	62,522.13	92,379.23	62,522.13	92,379.23
B.	Segment Results				
	- Steel	5,795.66	2,810.83	5,795.66	2,810.83
	- Paints	(1,492.42)	(479.84)	(1,492.42)	(479.84)
	Profit/(Loss) before finance cost, Tax & unallocable items	4,303.23	2,330.99	4,303.23	2,330.99
	Less: Finance cost	1,358.83	1,190.19	1,358.83	1,190.19
	Less: Other Unallocable Expenditure net of Income	848.44	1,185.65	849.95	1,186.60
	Total Profit/(Loss) before Tax	2,095.97	(44.85)	2,094.46	(45.81)
C.	Segment Assets				
	- Steel	20,763.20	22,305.59	20,763.20	22,305.59
	- Paints	21,044.03	22,845.86	21,044.03	22,845.86
	- Unallocable	1,305.86	1,253.52	1,305.84	1,254.24
	Total Segment Assets	43,113.09	46,404.97	43,113.07	46,405.69
D.	Segment Liabilities				
	- Steel	7,318.41	10,257.86	7,318.41	10,257.86
	- Paints	15,774.90	17,516.50	15,774.90	17,516.50
	- Unallocable	542.09	560.83	544.52	562.50
	Total Segment Liabilities	23,635.40	28,335.19	23,637.83	28,336.86

Performance and financial position of each of the subsidiary companies included in the consolidated financial statement is presented.

OUTBREAK OF COVID-19 PANDEMIC

The outbreak of COVID-19 pandemic has led to an unprecedented health crisis and has disrupted economic activities and global trade, while weighing on consumer sentiments.

During the year under review, the Government of India had imposed stringent nationwide lockdowns, in phases, which severely impacted manufacturing activities. Steel demand was affected as key steel consuming sectors struggled to operate amidst weakening economic activities, working capital constraints, shortage of manpower, and logistical issues.

To mitigate the risks and challenges faced by the Company during the pandemic, the Company enhanced safety and hygiene norms at offices, implemented work from home and leveraged digital platforms for its day-to-day operations. During the challenging times, the Company maintained its liquidity position by minimising cash outflows and maintaining a judicious mix of funding instruments to fulfill its operational requirements.

Further details on impact of COVID-19 on the Company is provided in the Management Discussion and Analysis which is forming part of this report as **Annexure-VI**.



3. DIVIDEND DISTRIBUTION POLICY

In terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('**Listing Regulations**') the Board of Directors of the Company (the '**Board**') formulated and adopted the Dividend Distribution Policy ('**Policy**').

The Policy is available on our website at https://www.kamdhenulimited.com/Financial-Results/Dividend_Distribution_Policy.pdf.

4. DIVIDEND

The Board of Directors of your company are pleased to recommend a Final dividend of ₹ 0.80 per equity share of ₹ 10/- each fully paid up (8% of face value), payable to those Shareholders whose names appear in the Register of Members as on the Record Date for the FY 2020-21. The Final dividend, if approved and declared by the members, will be paid to members within the prescribed period under the Companies Act, 2013 ("the Act"). The total dividend pay-out for the current year is ₹ 215.48 Lakhs as against ₹ 134.67 Lakhs for the previous year.

The Board has recommended dividend based on the parameters laid down in the Dividend Distribution Policy.

5. UNPAID/ UNCLAIMED DIVIDEND

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividends, if not claimed for a period of 7 consecutive years from the date of transfer to unpaid dividend account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). Further, shares in respect of such dividends which have not been claimed for a period of 7 consecutive years are also liable to be transferred to the demat account of the IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares. In the interest of the shareholders, the Company sends necessary communication to the shareholders to claim their dividends in order to avoid transfer of dividends/ shares to IEPF Authority. The details of the same are available on the website of the Company at www.kamdhenulimited.com.

The list of unpaid dividend is available on Company's website www.kamdhenulimited.com. Shareholders are requested to check the said lists and if any dividend due to them remains unpaid in the said lists, can approach the Company/ Registrar and Share Transfer Agent of the Company i.e. Kfin Technologies Private Limited for release of their unpaid dividend.

6. TRANSFER TO RESERVES

During the year under review, ₹ 1,509.11 Lakhs transferred to the General Reserve of the Company from the profit of the Company.

7. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION BETWEEN THE END OF FINANCIAL YEAR AND DATE OF THIS REPORT

There has been no material change and commitment, affecting the financial performance of the Company which occurred between the end of the Financial Year of the Company to which the financial statements relate and the date of this Report.

8. SHARE CAPITAL

During the FY 2020-21, the Company has issued & allotted 3,92,250 equity shares on 29th June, 2020 at an exercise price of ₹ 10 each in pursuance of Kamdhenu Employees Stock Option Scheme, 2017 under which 61 eligible employees has exercised their options granted under the Scheme. As a result of above allotment, the issued & paid-up equity share capital of the Company increased to & stood, as on 31st March, 2021, at ₹ 26,93,55,000 divided into 2,69,35,500 equity shares of ₹ 10/- each fully paid up.

At present, the Company's shares are listed on BSE Limited (BSE) & National Stock Exchange of India Limited (NSE) with effect from 9th May, 2006 post its initial public offering (IPO).

During the year under review, your Company has neither issued any shares with differential voting rights nor has granted any stock options or sweat equity.

9. DEPOSITS

During the year under review, your Company has not invited or accepted any Deposits from the public/ members pursuant to the provisions of Sections 73 and 76 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014.

10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the year under review, your Company has acquired 100% equity Shares of Kamdhenu Jeevandhara Foundation and made it Wholly Owned Subsidiary. The paid up share capital of Kamdhenu Jeevandhara Foundation acquired by the Company is ₹ 1,00,000/-divided into 10,000 equity shares of ₹ 10/- each fully paid up. Form no. AOC-1-Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014 presented in a separate section forming part of this Report as **Annexure-VII**.

During the year under review, the Company has not made any loans or, guarantee, or provided any security pursuant to the provisions of Section 186 of the Companies Act, 2013 read with Rules made thereunder.

11. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All the related party transactions that were entered and executed during the year under review were on arm's length basis and in the ordinary course of business and within permissible framework of Section 188 of the Companies Act, 2013 and Rules made thereunder read with Regulation 23 of Listing Regulations. There were no materially significant related party transactions made by the Company during the year that would have required the approval of the shareholders.

The details of the transactions with the related parties are provided in the accompanying financial statements. The Company has not entered into any transaction with related party as mentioned in Section 188 of the Companies Act, 2013 during the period under review. Accordingly, there is no transaction which required to be reported in Form AOC-2.

In terms of Section 188 of the Act read with rules framed hereunder and Regulation 23 of the Listing Regulations, your Company has formulated a policy on Related Party Transactions which deals with the related party transactions. The policy may be accessed under the Investor Zone section on the website of the Company at <https://www.kamdhenulimited.com/Financial-Results/POLICY-ON-RELATED-PARTY-TRANSACTIONS.PDF>.

12. CORPORATE GOVERNANCE REPORT, BUSINESS RESPONSIBILITY REPORT, MANAGEMENT DISCUSSION & ANALYSIS AND OTHER INFORMATION REQUIRED UNDER THE COMPANIES ACT, 2013 AND SEBI LISTING REGULATIONS

CORPORATE GOVERNANCE

Your Company always places a major thrust on managing its affairs with diligence, transparency, responsibility and accountability thereby upholding the important dictum that an Organization's corporate governance philosophy is directly linked to high performance. The Company understands and respects its fiduciary role and responsibility towards its stakeholders and society at large and strives to serve their interests, resulting in creation of value for all its stakeholders.

In terms of Regulation 34 of the SEBI Listing Regulations, a separate section on "Corporate Governance" with a detailed compliance report on corporate governance and a certificate from M/s. Chandrasekaran Associates, Practicing Company Secretaries is annexed as this Report as **Annexure-IV**.

BUSINESS RESPONSIBILITY REPORT (BRR)

Business Responsibility Report pursuant to the provisions of Regulation 34 of SEBI Listing Regulations describing the initiatives taken by the Company from an Environmental, Social and Governance perspective forms part of this Annual Report annexed as **Annexure-V**.

MANAGEMENT DISCUSSION & ANALYSIS (MDA)

The Management Discussion & Analysis Report for the financial year under review as stipulated under SEBI Listing Regulations is presented in a separate section forming part of this Report annexed as **Annexure-VI**.

13. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Re – appointment of Director retiring by rotation

In accordance with the provisions of the Act, not less than 2/3rd (Two-third) of the total number of Directors (other than Independent Directors) shall be liable to retire by rotation. Accordingly, pursuant to the Act read with Article 103 of the Articles of Association of the Company. Shri Saurabh Agarwal (DIN: 00005970) and Shri Sachin Agarwal (DIN: 01188710), Directors retiring by rotation in the ensuing Annual General Meeting, being eligible, offered themselves for their reappointment.



Brief resume, nature of expertise, details of directorships held in other companies of the Directors proposed to be re-appointed, along with their shareholding in the Company, as stipulated under Secretarial Standard 2 and Regulation 36 of the Listing Regulations, is appended as an Annexure to the Notice of the 27th Annual General Meeting scheduled to be held on Monday, 27th September, 2021.

Changes held in Directorship

During the year under review there was no change in the composition of the Board of Directors during the year.

Followings are the changes in directorship after the ending of year under review.

The term of the Shri Ramesh Chandra Jain has expired on 1st May, 2021 and Shri Ramesh Chandra Jain (DIN:00038529) has been re-appointed as an Additional Director in the category of Independent Director with effect from 2nd May, 2021 by passing a Resolution by Circulation on 29th April, 2021 for a term of two consecutive years and his appointment is subject to approval of the members of the Company in the ensuing Annual General Meeting by way of Special Resolution.

Further due to the sad and sudden demise of Shri Mahendra Kumar Doogar (DIN: 00319034) the office of Independent Director vacated. Shri Madhusudan Agarwal (DIN: 00338537) has been appointed in resulting vacancy by the Board of Director vide their resolution passed by Circulation on 22nd May, 2021.

Appointment of Shri Madhusudan Agarwal (DIN: 00338537) is subject to the approval of members at the ensuing Annual General Meeting. Brief resume, nature of expertise, details of directorships held in other companies of the Directors proposed as stipulated under Secretarial Standard 2 and Regulation 36 of the Listing Regulations, is appended as an Annexure to the Notice of the 27th Annual General Meeting.

KEY MANAGERIAL PERSONNEL (KMP)

In terms of Section 203 of the Act, the following are the KMPs of the Company:

- Shri Satish Kumar Agarwal, Managing Director
- Shri Harish Kumar Agarwal, Chief Financial Officer

Changes held in KMPs during the period under review:

Shri Jogeswar Mohanty (Membership No. ACS-23247) tendered his resignation from the post of Company

Secretary and Compliance Officer of the Company w.e.f. 30th November, 2020.

Shri Ashish Kapil (Membership No. ACS-31782) was appointed and resigned as Company Secretary and Compliance Officer of the Company w.e.f. 03rd February, 2021 and 04th April, 2021 respectively.

After the ending of year under review, Shri Ashish Kapil (Membership No. ACS-31782) has tendered his resignation from the post of Company Secretary and Compliance Officer of the Company with effect from 4th April, 2021.

14. MEETINGS OF THE BOARD OF DIRECTORS AND COMMITTEES THEREOF

The Board met five (5) times during the year under review. The intervening gap between the meetings were within the period prescribed under the Act and SEBI Listing Regulations.

As on date of report the Committees of the Board are as follows:

1. Audit Committee.
2. Nomination and Remuneration Committee.
3. Stakeholders Relationship Committee.
4. Risk Management Committee
5. Corporate Social Responsibility Committee.
6. Management Committee.
7. Borrowing Committee.
8. Allotment Committee.
9. Share Transfer Committee.

Details of composition of the Board and its Committees and the number of meetings held and attendance of Directors at such meetings are provided in the Corporate Governance Report, which forms part of this Report.

15. DETAILS OF ESTABLISHMENT OF THE VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has established an effective a Vigil / Whistle Blower Mechanism for directors and employees to report genuine concerns. The Board has formulated a policy on Vigil /Whistle Blower Mechanism that lays down the process for raising concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. This policy is further explained under Corporate Governance

section, forming part of this Report and the full text of the Policy is available on the website of the Company at <https://www.kamdhenulimited.com/code-conduct.php>.

Your Company hereby affirms that no Director/Employee have been denied access to the Chairman of the Audit Committee. There has no complaints received through the said mechanism which pertain to the nature of complaints sought to be addressed through this platform.

16. RISK MANAGEMENT POLICY

The Company has constituted a Risk Management Committee which has been entrusted with the responsibility to assist the Board in (a) approving the Company's Risk Management Framework and (b) Overseeing all the risks that the organization faces that have been identified and assessed to ensure that there is a sound Risk Management Policy in place to address such concerns / risks. The Risk Management process covers risk identification, assessment, analysis and mitigation. Incorporating sustainability in the process also helps to align potential exposures with the risk appetite and highlight risks associated with chosen strategies.

The Company has adopted a Risk Management Policy in accordance with the provisions of the Act and Regulation 21 of the SEBI Listing Regulations.

17. INTERNAL FINANCIAL CONTROLS SYSTEMS & THEIR ADEQUACY

Your Company has put in place adequate Internal Financial Controls with reference to the Financial Statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

The Company has also put in place adequate systems of Internal Control to ensure compliance with policies and procedures which is commensurate with size, scale and complexity of its operations. The Company has appointed an external professional firm as Internal Auditor. The Internal Audit of the Company is regularly carried out to review the internal control systems and processes. The Internal Audit Reports along with implementation and recommendations contained therein are periodically reviewed by Audit Committee of the Board.

18. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS/TRIBUNALS

During the year under review, no significant and material orders have been passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in the future.

19. ANNUAL RETURN

As required by Section 92(3) read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the draft Copy of Annual Return in Form MGT-7 is available on the website of the Company at <https://www.kamdhenulimited.com/annual-return.php#>.

20. DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declarations from each Independent Directors of the Company in accordance with Section 149(7) of the Act and Regulations 16(1)(b) and 25(8) of the Listing Regulations, that he / she meets the criteria of independence as laid out in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations.

In opinion of the Board, there has been no change in the circumstances which may affect their status as Independent Directors of the Company and the Board is satisfied of the integrity, expertise and experience (including the proficiency) of all the Independent Directors on the Board.

21. FAMILIARIZATION PROGRAMME FOR THE INDEPENDENT DIRECTORS

In compliance with the requirements of the SEBI Listing Regulations, the Company has put in place a familiarization programme for the Independent Directors to familiarize them with their roles, rights and responsibility as Directors, the working of the Company, nature of the industry in which the Company operates, business model etc. A note on the familiarization programme adopted by the Company for orientation and training of the Directors and the Board evaluation process undertaken in compliance with the provisions of the Act and the SEBI Listing Regulations is provided in the Report on Corporate Governance, which forms part of this Annual Report. The same is also available on the website of the Company at www.kamdhenulimited.com.



22. PERFORMANCE EVALUATION OF THE BOARD OF DIRECTORS

Pursuant to the applicable provisions of the Act and the Listing Regulations, the Board has carried out an Annual Evaluation of its own performance, performance of the Directors and the working of its Committees, based on the evaluation criteria defined by Nomination and Remuneration Committee.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of criteria such as the composition of committees, effectiveness of Committee meetings, etc.

The performance assessment of Non-Independent Directors, Board as a whole and the Chairman were evaluated at separate meetings of Independent Directors. The same was also discussed in the meetings of NRC and the Board. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

23. AUDITORS

STATUTORY AUDITORS AND THEIR REPORT

The Members at the 23rd Annual General Meeting of the Company held on 29th September, 2017, had appointed M/s B S D & Co, Chartered Accountants, (ICAI Firm Registration No. 000312S) as the Statutory Auditors of the Company to hold office for a term of five years i.e. from the conclusion of 23rd Annual General Meeting until the conclusion of 28th Annual General Meeting.

The report of the Statutory Auditors on Standalone & Consolidated Financial Statements for the FY 2020 -21 forms part of the Annual Report. The said report does not contain any qualification, reservation, disclaimer or adverse remark.

During the year under review, the Statutory Auditors did not report any matter under Section 143(12) of the Act, therefore no detail is required to be disclosed under Section 134(3)(ca) of the Act.

SECRETARIAL AUDITORS AND THEIR REPORT

Pursuant to the provisions of Section 204 of the Act and rules made thereunder the Company had appointed M/s Chandrasekaran Associates, Company Secretaries as the Secretarial Auditors of the Company to undertake its Secretarial Audit for the financial year ended 31st March, 2021.

The Secretarial Audit Report for the financial year ended 31st March, 2021 do not contain any qualification, reservation, disclaimer or adverse remark except regarding late submission of Related Party Transactions disclosure with Stock Exchanges for the half year ended 30th September, 2020. The Secretarial Audit Report issued in this regard is annexed as **Annexure-IV**.

During the year under review, the Secretarial Auditors did not report any matter under Section 143(12) of the Act, therefore no detail is required to be disclosed under Section 134(3)(ca) of the Act.

COST AUDITORS AND THEIR REPORT

In terms of the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is required to maintain cost records and have the audit of its cost records conducted by a Cost Accountant for its steel division. Cost records are prepared and maintained by the Company for its steel division as required under Section 148(1) of the Act.

The Board of Directors, based on the recommendation of the Audit Committee, has appointed M/s K. G. Goel & Associates, Cost Accountant as Cost Auditors for the FY 2021-22, on a remuneration as, mentioned in the notice of 27th Annual General Meeting.

A Certificate from M/s K. G. Goel & Associates, Cost Accountant has been received to the effect that their appointment as Cost Auditor of the Company, if made, would be in accordance with the limits specified under Section 141 of the Act and Rules framed thereunder.

The Cost Audit Report do not contain any qualification, reservation, disclaimer or adverse remark.

A resolution seeking Member's ratification for the remuneration payable to the Cost Auditor forms part of the Notice of 27th Annual General Meeting and the same is recommended for your consideration and ratification.

During the year under review, the Cost Auditors did not report any matter under Section 143(12) of the Act, therefore no detail is required to be disclosed under Section 134(3)(ca) of the Act.

24. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has a Policy on Corporate Social Responsibility and the same has been posted on the website of the Company at <https://www.kamdhenulimited.com/code-conduct.php>.

Further, the Annual Report on CSR activities in requirements of the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time, describing inter-alia the initiatives taken by the Company in implementation of its CSR Policy is enclosed as **Annexure-II**.

25. COMPLIANCE WITH THE SECRETARIAL STANDARDS

The Company has in place proper systems to ensure compliance with the provisions of the applicable secretarial standards issued by The Institute of Company Secretaries of India and such systems are adequate and operating effectively.

26. INFORMATION REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo stipulated under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules 2014 is annexed as **Annexure – I** and forms part of this Report.

27. GREEN INITIATIVE

The Company has implemented the "Green Initiative" to enable electronic delivery of notice/documents/ annual reports to shareholders. Electronic copies of the Annual Report 2020-21 and Notice of the 27th Annual General Meeting will be sent to all members through email, whose e-mail addresses are registered with the Company/Depository Participant(s). Members requiring a physical copy may send a request to the Company. The Company is providing e-voting facility to all members to enable them to cast their votes electronically on all resolutions set forth in the Notice. This is pursuant to section 108 of the Act read with relevant rules thereon. The instructions for remote

e-voting and e-voting (Insta Poll) are provided in the Notice of the AGM.

28. HUMAN RESOURCES MANAGEMENT

Human resources management of the Company goes beyond the set boundaries of compensation, performance reviews and development. Your Company considers people as its biggest assets and 'Believing in People' is at the heart of its human resource strategy. Your Company has put concerted efforts in talent management and succession planning practices, strong performance management and learning and training initiatives to ensure that your Company consistently develops inspiring, strong and credible leadership. During the year, the focus of your Company was to ensure that young talent is nurtured and mentored consistently, that rewards and recognition are commensurate with performance and that employees have the opportunity to develop and grow. Your Company has established an organization structure that is agile and focused on delivering business results. With regular communication and sustained efforts, it is ensuring that employees are aligned on common objectives and have the right information on business evolution. Your Company strongly believes in fostering a culture of trust and mutual respect in all its employees and seeks to ensure that company's values and principles are understood by all and are the reference point in all people matters.

The Company has continuously adopted structures that help to attract best external talent and promote internal talent to higher roles and responsibilities. The Company providing an open work environment fostering continuous improvement and development that helped several employees realize their career aspirations during the year.

The Company maintained healthy, cordial and harmonious industrial relations at all levels. The enthusiasm and unstinting efforts of employees have enabled the Company to remain at the leadership position in the industry. It has taken various steps to improve productivity across organization.

29. KAMDHENU EMPLOYEE STOCK OPTION SCHEME 2017

Our ESOP schemes help us to share wealth with our employees and are part of a retention-oriented

compensation program. They help us to meet the dual objective of motivating key employees and retention while aligning their long-term career goals with that of the Company.

During the FY 2017-18, the Company had implemented the Kamdhenu Employee Stock Option Scheme 2017 and granted 6,15,000 Options to eligible employees as per the scheme against which the employees shall be allotted equal number of equity shares in next 4 years. In furtherance the Company has allotted 3,92,250 equity shares at second trench on completion of 2 year after granting options on exercising of options vested by the employees and allotted shares in the board meeting held on 29th June, 2020 at an exercise price of ₹ 10/- per option. Details of the implemented Kamdhenu Employee Stock Option Scheme 2017 are as follows.

Name of Scheme: Kamdhenu Employee Stock Option (Amended) Scheme 2017						
No of Options granted	Date of grant of options	Date of Vesting of options	No of Options vested (75% of the Completion of 2 year after grant date)	No of Options exercised	Date of allotment of shares on exercise of Options	Amount realized/ Consideration received in ₹ (no of options*10)
615000	29th January, 2018	29th January, 2020	392250	392250	29th June, 2020	39,22,500

AMENDMENT IN KAMDHENU EMPLOYEE STOCK OPTION SCHEME 2017.

"Kamdhenu Employees Stock Option Scheme – 2017" was amended by the Company in the board meeting held on 31st January, 2020 and consented by the members by passing special resolution through postal ballot on 18th March, 2020 to vest remaining 75% options which remained unvested as of now and transfer the entire benefit of the "Kamdhenu Employees Stock Option Scheme – 2017" to all the option grantees including those employees who are to be transferred to the new Company after the Scheme of Arrangement take effect and Complete and exhaust the exercise process of 100% of the options granted under "Kamdhenu Employees Stock Option Scheme – 2017" before the implementation of the Scheme of Arrangement and hence to close the existing "Kamdhenu Employees Stock Option Scheme – 2017" in total. This is being done with a motive to create a motivational organization climate, creating confidence among employees, building corporate image and simplifying the implementation of the Scheme of Arrangement, ultimately for better achievement of corporate goal of overall maximization of wealth of Shareholders of the Company and other stakeholders as well.

75% options pursuant to Kamdhenu Employee Stock Option Scheme 2017 were granted to the eligible employees in the Board Meeting held on 29th June,

2020, now all the options pursuant to the scheme was fully exercised and the scheme is closed.

30. SCHEME OF ARRANGEMENT

Board of Directors of the Company, at its meeting held on 31st January, 2020, has approved the scheme of arrangement between Kamdhenu Concast Limited, Kamdhenu Overseas Limited, Kamdhenu Paint Industries Limited, Kamdhenu Infradevelopers Limited, Kamdhenu Nutrients Private Limited, Kay2 Steel Limited and Tiptop Promoters Private Limited, Kamdhenu Limited, Kamdhenu Ventures Limited and Kamdhenu Colour and Coatings Limited which be in two parts. First, Amalgamation of Kamdhenu Concast Limited, Kamdhenu Overseas Limited, Kamdhenu Paint Industries Limited, Kamdhenu Infradevelopers Limited, Kamdhenu Nutrients Private Limited, Kay2 Steel Limited and Tiptop Promoters Private Limited with Kamdhenu Limited and Second De-merger of Paint Business of Kamdhenu Limited into Kamdhenu Colour and Coatings Limited, Issue of shares by Kamdhenu Ventures Limited to the Shareholders of Kamdhenu Limited in consideration of the said Demerger; and Re-organization of pre-Scheme Share Capital of Kamdhenu Ventures Limited

The Company had received the Observation Letter from respective stock exchanges viz. National Stock Exchange of India Limited (NSE) and BSE Limited on 28th September, 2020.

The Company has filed the application of scheme with Hon'ble National Company Law Tribunal, Chandigarh Bench ("NCLT") on 15th March, 2021.

31. DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

At Kamdhenu, all employees are of equal value. There is no discrimination between individuals at any point on the basis of race, colour, gender, religion, political opinion, national extraction, social origin, sexual orientation or age. At Kamdhenu, every individual is expected to treat his/her colleagues with respect and dignity. The Whistle-Blower & Vigil Mechanism Policy provides a platform to all employees for reporting unethical business practices at workplace without the fear of reprisal and help in eliminating any kind of misconduct in the system. The Policy also includes misconduct with respect to discrimination or sexual harassment. The Company also has in place Prevention of Sexual Harassment Policy. This Anti-Sexual Harassment Policy of the Company is in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. All employees are covered under this policy.

The Company has complied with the provision relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the FY 2020-21, the Company has not received any complaint on sexual harassment under The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013.

32. CHANGE IN NATURE OF BUSINESS

During the year under review there is no change in nature of business of the Company.

33. NAMES OF THE COMPANIES WHICH HAVE BECOME OR CEASED TO BE COMPANY'S SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR

As on 31st March, 2021 the Company has 3 subsidiary Companies. During the year under review, Kamdhenu Jeevandhara Foundation, a Section 8 Company has become the Wholly Owned Subsidiary of Kamdhenu

Limited for the purpose of carrying out the CSR activities of the Company.

We have, in accordance with Section 129(3) of the Act prepared Consolidated Financial Statements of the Company and all its subsidiaries which form part of the Annual Report. Further, the report on the performance and financial position of each subsidiary, associate and joint venture and salient features of their Financial Statements in the prescribed Form AOC-1 is annexed to this report (**Annexure-VII**)

In accordance with the provisions of Section 136 of the Act and the amendments thereto, read with the Listing Regulations the audited Financial Statements, including the consolidated financial statements and related information of the Company and financial statements of the subsidiary companies are available on our website www.kamdhenulimited.com

34. DOCUMENTS PLACED ON THE WEBSITE

The following documents have been placed on the website at www.kamdhenulimited.com in compliance with the Companies Act, 2013, Listing Regulations and other statutory requirements:

- Details of Unpaid Dividend
- Financial Statements of the Company along with relevant documents as per Section 136(1) of the Companies Act, 2013
- Financial Statements of Subsidiaries
- Code of Conduct and Work Place Ethics
- Code of Conduct for Board Members & Senior Management Personnel
- Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information
- Code of Conduct to Regulate, Monitor and Report, Trading by Insiders
- Risk Management Policy & Procedures
- Nomination and Remuneration Policy
- Policy on Related Party Transactions
- Whistle Blower Policy & Vigil Mechanism
- Policy on Sexual Harassment of Employees
- Corporate Social Responsibility Policy
- Board Diversity Policy
- Familiarization Programme For Independent Directors



- Archival Policy
- Policy on Preservation of Documents
- Policy for Determination of Materiality of Events and Information
- The Terms and Conditions of Appointment of the Independent Directors of the Company
- Policy for Determining Material Subsidiaries
- Dividend Distribution Policy
- Risk Management Policy
- Appointment Letter of Independent Directors
- Scheme of Arrangement
- Various disclosures to Stock Exchanges.

35. COMPANY'S POLICY OF DIRECTORS' APPOINTMENT AND REMUNERATION

The Nomination and Remuneration Policy as approved and adopted by Nomination and Remuneration committee and the Board of Directors of the Company, enumerating the criteria laid down for appointment, evaluation and remuneration of Directors and Key Managerial Personnel, determining qualifications, positive attributes and independence of Directors and/or Key Managerial Personnel, is available on the website of Company at https://www.kamdhenulimited.com/Financial-Results/Nomination-Remuneration-Policy_Kamdhenu.pdf.

36. CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT

In compliance with Regulation 26(3) of SEBI Listing Regulations, the Company has formulated the Code of Conduct for the Board members and Senior Management Personnel of the Company so that the Company's business is conducted in an efficient and transparent manner without having any conflict of personal interests with the interests of the Company. All the members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct for the Board members and Senior Management Personnel and the code of conduct is available at the website of Company <https://www.kamdhenulimited.com/code-conduct.php>.

37. DECLARATION BY THE CHAIRMAN & MANAGING DIRECTOR

It is hereby declared that the Company has obtained from each individual member of the Board of Directors

and the Senior Management confirming that none of them has violated the conditions of the Code of Conduct for the Board members and Senior Management Personnel.

38. RELATIONSHIP BETWEEN DIRECTORS INTER-SE

The Chairman & Managing Director and Whole Time Directors of the Company are related to each other within the meaning of the term "relative" as per Section 2(77) of the Companies Act, 2013 and SEBI Listing Regulations. Independent Directors are not related to each other within the meaning of the term "relative" as per Section 2(77) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015. Details are given in Corporate Governance Report forming part of this report.

39. PARTICULARS OF EMPLOYEES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this report (**Annexure-VIII**).

40. DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and belief, confirms that:

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) They have prepared the annual accounts on a going concern basis;
- e) They have laid down internal financial controls to be followed by the Company and that such internal

financial controls are adequate and operating effectively.

- f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

41. PROCEEDING UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016

The Company has not made any application or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 ("IBC Code") during the year. Further, at the end of the year, Company does not have any proceedings related to IBC Code.

42. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

During the year under review, the Company has not made one time settlement therefore, the same is not applicable.

43. APPRECIATION

Your Directors acknowledge with gratitude and wishes to place on record its appreciation for the dedication

and commitment of your Company's employees at all levels which has continued to be our major strength. The enthusiasm and unstinting efforts of the employees have enabled the Company to remain as industry leaders.

The Directors regret the loss of life due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked their life and safety to fight this pandemic. We place on record our appreciation for the support and co-operation your Company has been receiving from its suppliers, distributors, stockists, dealers, business partners, franchisee units and others associated with the Company as its trading partners. Your Company looks upon them as partners in its progress and has shared with them the rewards of growth. It will be your Company's endeavour to build and nurture strong links with the trade based on mutuality of benefits, respect for and co- operation with each other, consistent with consumer interests.

We thank the Government of India, the State Governments and the Governments in the countries where we have operations and other regulatory authorities and government agencies for their support and look forward to their continued support in the future.

**BY ORDER OF THE BOARD OF DIRECTORS OF
KAMDHENU LIMITED**

Satish Kumar Agarwal

Chairman & Managing Director
DIN: 00005981

Sunil Kumar Agarwal

Whole Time Director
DIN: 00005973

Date: 21st June, 2021
Place: Gurgaon

ANNEXURE-I

DETAILS ON CONSERVATION OF ENERGY,

Technology Absorption, Foreign Exchange Earnings and Outgo

(Particulars as per section 134 of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014)

(A) CONSERVATION OF ENERGY

(i)	the steps taken or impact on conservation of energy	In the steel plant at Bhiwadi, the Company has changed the plant & machinery for cutting of Front/Rear end of Billet/Ingot, accordingly two electric motors of 30/40 HP which were running continuously during the production, now running on PLC Control panel through DC drive motor which now works for only 30 seconds to each piece of Billet/Ingot, reducing energy/power consumption to the extent of 1%. Apart from this, we have also changed the layout of our continuous rolling mill alongwith clean filtering system of reduction gear oil to reduce friction on gears and bearing of entire mill thereby reducing electric power consumption by 1%. Similarly, other devices were also installed in rolling mill to reduce power consumption by 0.5%. One big step has also been taken for lighting of entire plant wherein we replaced all lighting fixtures by LED of 125W in place of our old lighting fixture of 400W with a reduction of energy consumption to 1/3rd of lighting consumption.
(ii)	the steps taken by the Company for utilizing alternate sources of energy	NIL
(iii)	the capital investment on energy conservation equipments	NIL

(B) TECHNOLOGY ABSORPTION

(i)	the efforts made towards technology absorption	<p>The Company had launched Kamdhenu PAS10000, a state-of-art power alloy steel product in 2020. PAS10000 is a BIS and international quality standards complaint and is suitable for making highly durable 10000 PSI concrete. PAS10000 is the 360-degree technology, ensures an ultra-strong grip with concrete to give additional strength, safety and longer life to any structure. The alloy in it lends it superb corrosion-resistant properties and anti-degradation properties. Further, the 360-degree locking technology gives it optimum stability and most effective earthquake resistance.</p> <p>The Company had also launched Kamdhenu Nxt – the Next Generation Interlock Steel in April, 2017. Kamdhenu Nxt has got the angular double rib design whose CNC notch cutting machine ensure uniform rib pattern which allows uniform bonding with concrete for the whole structure. Due to uniformity and critically designed ribs, fatigue strength and ductility of Kamdhenu Nxt is much superior to ordinary steel bars.</p>
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	Benefits derived as a result of the above efforts is the improvement in the quality of the product, increase in the margins of the Company and helps in positioning of the brand Kamdhenu in the premium segment.
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	
	(a) the details of technology imported	Nil
	(b) the year of import;	NA
	(c) whether the technology been fully absorbed	NA
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	N.A
(iv)	the expenditure incurred on Research and Development	NA

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

The total foreign exchange used and the total foreign exchange earned during the year as compared to the previous financial year has been provided hereunder:

(₹ in Lakhs)

Foreign Exchange Earnings & Outgo	Current Year (FY 2020-21)	Previous Year (FY 2019-20)
Inflow	Nil	Nil
Outflow	7.83	244.33

**BY ORDER OF THE BOARD OF DIRECTORS OF
KAMDHENU LIMITED**

Satish Kumar Agarwal

Chairman & Managing Director

DIN: 00005981

Sunil Kumar Agarwal

Whole Time Director

DIN: 00005973

Date: 21st June, 2021

Place: Gurgaon

ANNEXURE-II

CSR ACTIVITIES

[Pursuant to clause (o) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY:

Kamdhenu Limited firmly believes in the co-existence of business and communities and is committed to the development of an eco-system of prosperity in the society around operations.

As a responsible corporate citizen, we believe that our neighbourhood communities are our primary stakeholders and we seek to build mutually supportive relationships with them. It is this integration of business and CSR which provides us the social licence to operate and ushers in a different developmental paradigm towards sustainable change in society. As part of our CSR policy, we believe in partnering with government agencies, development organizations, corporates, civil societies & community-based organizations to implement durable and meaningful initiatives.

The Company complies with Section 135 of the Act and the approach is focused on long-term programmes aligned with community needs and national priorities, including Sustainable Development Goals.

The Company's CSR policy is uploaded on the website of the Company under the web-link <https://www.kamdhenulimited.com/Financial-Results/CORPORATE-SOCIAL-RESPONSIBILITY-POLICY.PDF>.

2. COMPOSITION OF CSR COMMITTEE:

As on the date of the report, the composition of Corporate Social Responsibility Committee is as follows:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Satish Kumar Agarwal	Chairman (Chairman and Managing Director)	2	2
2.	Mr. Sunil Kumar Agarwal	Member (Whole- Time Director)	2	2
3.	Mr. Mahendra Kumar Dooger*	Member (Non-Executive-Independent Director)	2	2
4.	Mrs.Nishal Jain^	Member (Non-Executive-Independent Director)	N.A.	N.A.

*Mr. Mahendra Kumar Dooger ceased to be a member of the committee due to his sudden and sad demise on 4th May, 2021.

^Mrs.Nishal Jain was appointed as a member of the Committee effective from 22nd May, 2021.

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:

The composition of the CSR Committee:	https://www.kamdhenulimited.com/about.php#boardcommittees
CSR Policy:	https://www.kamdhenulimited.com/Financial-Results/CORPORATE-SOCIAL-RESPONSIBILITY-POLICY.PDF
CSR Projects as approved by the Board:	https://www.kamdhenulimited.com/about.php#csr

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):

Not Applicable for the Financial Year under review.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1.	FY 2017 -18	-	-
2.	FY 2018 - 19	-	-
3.	FY 2019 - 20	-	-

6.	Average net profit of the Company as per section 135(5):	₹ 1966.81 Lakhs
7.	(a) Two percent of average net profit of the Company as per section 135(5)	₹ 39.34 Lakhs
	(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	Nil
	(c) Amount required to be set off for the financial year, if any	Nil
	(d) Total CSR obligation for the financial year (7a+7b-7c).	₹ 39.34 Lakhs

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹ Lakh)	Amount Unspent (in ₹ Lakh)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount	Date of transfer.
40.01	Nil	NA	NA	Nil	NA

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Sl. No.	Name of the Project ^	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project. State District	Project duration*	Amount allocated for the project (in ₹ lakhs)	Amount spent in the current financial Year (in ₹ lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹ Lakhs)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency Name CSR Registration number
1.	Contribution to Kamdhenu Jeevandhara Foundation for carrying out Education and Skill Development program and also medical facilities	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects	Yes	Delhi - NCR Rajasthan - Alwar Haryana - Gurgaon	3 Years	300	22.35	Nil	No	Kamdhenu Jeevandhara Foundation CSR00002398

*This is 'ongoing projects' as defined in the CSR Amendment Rules.

^The Company intends to provide Education and Medical facilities to the public at large to the needy people of the Society for betterment of the Society at large for fulfilment of Company's CSR Obligation. The project will be divided in two parts viz. (1) Education Wing and (2) Medical Wing.



The Company is in process of creating infrastructures facility for both of education and medical facilities wing.

(c) Details of CSR amount spent against other than ongoing projects for the financial year.

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project.		Amount spent for the project (₹ in Lakhs).	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
1.	Food Distribution during COVID-19	Eradicating hunger, poverty and malnutrition promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.	Yes	Rajasthan	Bhiwadi (Alwar)	13.45	Yes	-	-
2.	Promotion of healthcare		Yes	Rajasthan	Bhiwadi (Alwar)	4.21	Yes	-	-
Total						17.66			

(d)	Amount spent in Administrative Overheads	Nil
(e)	Amount spent on Impact Assessment, if applicable	Not Applicable
(f)	Total amount spent for the Financial Year (8b+8c+8d+8e)	₹ 40.01 Lakhs
(g)	Excess amount for set off, if any	

Sl. No.	Particular	Amount (₹ in Lakhs.)
(i)	Two percent of average net profit of the Company as per section 135(5)	39.34
(ii)	Total amount spent for the Financial Year	40.01
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.67
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.67

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Lakh)	Amount spent in the reporting Financial Year (in Lakhs)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Lakh)
				Name of the Fund	Amount (in Lakh).	Date of transfer.	
1.	FY 2019-20	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2.	FY 2018-19	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
3.	FY 2017-18	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Total	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project	Financial Year in which the project was commenced	Project duration.	Total amount allocated for the project (in ₹).	Amount spent on the project in the reporting Financial Year (in ₹).	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed / Ongoing.
1.	N.A.		N.A.	N.A.	N.A.	Nil	Nil	N.A.
	Total							

10.	In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year							
(a)	Date of creation or acquisition of the capital asset(s).						None	
(b)	Amount of CSR spent for creation or acquisition of capital asset.						Nil	
(c)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.						Not applicable	
(d)	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).						Not applicable	

11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5).

Not Applicable

**BY ORDER OF THE BOARD OF DIRECTORS OF
KAMDHENU LIMITED**

Satish Kumar Agarwal

DIN: 00005981

(Chairman & Managing Director &
Chairman of CSR Committee)

Sunil Kumar Agarwal

DIN: 00005973

Whole-Time Director
(Member of CSR Committee)

Date: 21st June, 2021

Place: Gurgaon



ANNEXURE-III

FORM MR -3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2021

(Pursuant to Section 204 (1) of the Companies Act, 2013 and rule No. 9 of the Companies

(Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,

The Members,

Kamdhenu Limited

2nd Floor, Tower-A, Building No. 9,

DLF Cyber City, Phase-III,

Gurgaon – 122002, Haryana

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by Kamdhenu Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not applicable during the audit period under review**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and **Not applicable during the period under review**
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (including erstwhile regulation); **Not applicable during the period under review**
- (vi) As informed and certified by the management of the Company, there is no sectorial law specifically applicable to the Company based on their Sectors/ Industry.

We have also examined compliance with the applicable clauses/Regulations of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except the following:

1. *The Company has not submitted the disclosures of Related Party Transactions as required under Regulation 23(9) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for the half year ending 31st March, 2020 and half year ending 30th September, 2020. Further, the BSE Limited ("BSE") and National Stock Exchange Limited ("NSE") has levied a fine of ₹ 2,47,800/- each (including GST) for non – compliance of Regulation 23(9) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for the half year ending 30th September, 2020.*
2. *The Company has not transferred the shares in respect of which dividend remained unclaimed/unpaid for the FY 2011-12 to Investor Education and Protection Fund Authority within prescribed period under the Companies Act, 2013.*

We further report that,

The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors. The changes, if any, in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance (and at a shorter notice for which necessary approvals obtained, if any) and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, following major events have happened which are deemed to have major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

1. During the period under review, the Company issued and allotted 3,92,250 (Three Lakh Ninety Two Thousand Two Hundred and Fifty only) Equity Shares of Face Value of ₹ 10/- each pursuant to exercise of Stock Options by some eligible employees of the Company under Kamdhenu Employees Stock Option Scheme – 2017 of the Company.
2. During the period under review, the registered office of the Company was shifted from State of Rajasthan to State of Haryana with effect from December 30, 2020.
3. During the period under review, the Company has made investment in the shares of Kamdhenu Jeevandhara Foundation.
4. During the period under review, the Company has moved an application on 15th March, 2021 to Hon'ble National Company Law Tribunal, Chandigarh Bench in connection to scheme of arrangement between Kamdhenu Concast Limited, Kamdhenu Overseas Limited, Kamdhenu Paint Industries Limited, Kamdhenu Infradevelopers Limited, Kamdhenu Nutrients Private Limited, Kay2 Steel Limited, Tiptop Promoters Private Limited, Kamdhenu Limited, Kamdhenu Ventures Limited And Kamdhenu Colour And Coatings Limited and their respective shareholders and creditors under sections 230, 232 & 66 of the Companies Act, 2013, Rules made thereunder and other applicable provisions, if any.

For **Chandrasekaran Associates**
Company Secretaries

Shashikant Tiwari

Partner

Membership No. A28994

Certificate of Practice No. 13050

(FRN: P1988DE002500)

Peer Review Certificate No.: 754/2020

UDIN: A028994C000487771

Place: New Delhi

Date: June 21, 2021



Note:

- (i) This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.
- (ii) Due to restricted movement amid COVID-19 pandemic, we conducted the secretarial audit by examining the Secretarial Records including Minutes, Documents, Registers

and other records etc., and some of them received by way of electronic mode from the Company and could not be verified from the original records. The management has confirmed that the records submitted to us are the true and correct. This Report is limited to the Statutory Compliances on laws / regulations / guidelines listed in our report of which, the due date has been ended/expired on or before March 31, 2021 pertaining to Financial Year 2020-21.

ANNEXURE-III (Contd.)

ANNEXURE-A

To,

The Members,

Kamdhenu Limited

2nd Floor, Tower-A, Building No. 9,

DLF Cyber City, Phase-III,

Gurgaon – 122002, India

Our Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Chandrasekaran Associates**

Company Secretaries

Shashikant Tiwari

Partner

Membership No. A28994

Certificate of Practice No. 13050

(FRN: P1988DE002500)

Peer Review Certificate No.:754/2020

UDIN: A028994C000487771

Place: New Delhi

Date: June 21, 2021

ANNEXURE-IV

CORPORATE GOVERNANCE REPORT

1. STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance encompasses a set of systems and practices to ensure that the Company's affairs are being managed in a manner which ensures accountability, transparency and fairness in all transactions in the widest sense. The objective is to meet stakeholders' aspirations and societal expectations. Good governance practices stem from the dynamic culture and positive mindset of the organization. We are committed to meet the aspirations of all our stakeholders. This is demonstrated in shareholder returns, awards and recognitions, governance processes and an entrepreneurial performance focussed work environment. Additionally, our customers have benefited from high quality products delivered at competitive prices.

The essence of Corporate Governance lies in promoting and maintaining integrity, transparency and accountability in the management's higher echelons. The demands of Corporate Governance require professionals to raise their competence and capability levels to meet the expectations in managing the enterprise and its resources effectively with the highest standards of ethics. It has thus become crucial to foster and sustain a culture that integrates all components of good governance by carefully balancing the inter-relationship among the Board of Directors, Board Committees, Finance, Compliance teams, Auditors and the Senior Management.

Kamdhenu Limited ("Kamdhenu") is not only adheres to the prescribed Corporate Governance practices as per the Listing Regulations, but is also committed to sound Corporate Governance principles and practices. It constantly strives to adopt emerging best practices being followed worldwide. It is our endeavour to achieve higher standards and provide oversight and guidance to the management in strategy implementation, risk management and fulfilment of stated goals and objectives.

We believe, Corporate Governance is not just a destination, but a journey to constantly improve sustainable value creation. It is an upward-moving target that we collectively strive towards achieving. Some of our multiple initiatives towards maintaining the highest standards of governance are as follows.

- Satisfy both the letter of law and the spirit of law.
- Ensure high level of transparency and disclosure.
- Treating the management as trustee of shareholders' capital.
- Have a simple and transparent corporate structure driven solely by business needs.
- Prioritizing stakeholders' relationships.

1.1 Key Board activities during the year

The Company has put in place an internal governance structure with defined roles and responsibilities of every constituent of the system. The Company's shareholders appoint the Board of Directors, which in turn governs the Company. The Board has established various Committees to discharge its responsibilities in an effective manner. The Chairman and Managing Director ("CMD") provide overall direction and guidance to the Board. In the operations and functioning of the Company, the CMD is assisted by three Executive Directors and a core group of Senior Level Executives.

The Chairman & Managing Director is responsible for fostering and promoting the integrity of the Board while nurturing a culture where the Board works harmoniously for the long-term benefit of the Company and all its stakeholders. The Chairman & Managing Director takes a lead role in managing the Board and facilitating effective communication among Directors. The Chairman & Managing Director actively works with the Human Resources, Nomination and Remuneration Committee to plan the Board and Committees 'composition, induction of directors to the Board, plan for directors' succession and provide constructive feedback and advice on performance evaluation to directors.

2. BOARD OF DIRECTORS:

2.1 Composition of Board

The Board of Directors along with its Committees provides leadership and guidance to the Management and directs and supervises the performance of the Company, thereby enhancing stakeholder value. The Board has a fiduciary relationship in ensuring that the rights of all stakeholders are protected. Your Company has an engaged and well-informed Board with qualifications and experience in diverse areas. The



Boards' composition is in conformity with Regulation 17 of Listing Regulations read with Section 149 of the Companies Act, 2013 ("the Act").

- a. The Company's Board has an optimum combination of Executive and Non-Executive Directors including Woman Director. The Board of Directors as at the end of 31st March, 2021, comprised of 8 Directors, out of which 4 were Executive Directors and 4 were Non-Executive Directors, which includes 4 Independent Directors. The Composition of the Board as of 31st March, 2021 is given below.

Category of Directors	Name of Directors	No. of Directors	%
Independent Directors	1. Shri Mahendra Kumar Doogar* 2. Shri Ramesh Chand Surana 3. Shri Ramesh Chandra Jain 4. Smt. Nishal Jain	4	50
Executive Directors	1. Shri Satish Kumar Agarwal (Chairman & Managing Director) 2. Shri Sunil Kumar Agarwal 3. Shri Saurabh Agarwal 4. Shri Sachin Agarwal	4	50

* Shri Mahendra Kumar Doogar ceased to be Director of the Company due to his sudden and sad demise on 4th May, 2021.

- b. During FY 2020-21, 5 (Five) board meetings were held on 23rd April, 2020, 29th June, 2020, 14th August, 2020, 9th November, 2020 and 3rd February, 2021. Due to the COVID-19 pandemic all the meetings of the Board of Directors and its committees held through Video conferencing.
- c. **Attendance at Board Meetings:** The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and at the last Annual General Meeting (AGM) and the number of Directorships and Committee Chairmanships/Memberships held by them in other public limited companies as on 31st March, 2021 are given below. Other directorships do not include directorships of associations, private limited companies, foreign companies, companies incorporated under Section 8 of the Act, Government Bodies and Alternate Directorships. For the purpose of determination of limit of the Board Committees, Chairpersonship and Membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of the Listing Regulations as on 31st March, 2021.

Sl No	Name of Directors	Category of Directors (Promoter, Executive, Non – Executive, Independent Non – Executive, Nominee Director-institution represented and whether as lender or as equity investor)	Board Meetings Attended out of five meetings held during FY 2020-21	Attendance at AGM held on September 28, 2020	Directorship held in other Public Companies (excluding Kamdhenu Limited)	Number of Committee Position held in other Public Companies (excluding Kamdhenu Limited)	
						Membership	Chairmanship
1.	Shri Satish Kumar Agarwal (DIN: 00005981)	Executive Director, Chairman & Managing Director, Promoter	5	Yes	4	0	0
2.	Shri Sunil Kumar Agarwal (DIN: 00005973)	Executive Director, Whole time Director, Promoter	5	Yes	10	0	0
3.	Shri Saurabh Agarwal (DIN: 00005970)	Executive Director, Whole Time Director Promoter	5	Yes	10	0	0
4.	Shri Sachin Agarwal (DIN: 01188710)	Executive Director, Whole Time Director Promoter	5	Yes	7	0	0
5.	Shri Mahendra Kumar Doogar* (DIN: 00338537)	Non- Executive, Independent Director	5	Yes	7	4	1

Sl No	Name of Directors	Category of Directors (Promoter, Executive, Non – Executive, Independent Non – Executive, Nominee Director-institution represented and whether as lender or as equity investor)	Board Meetings Attended out of five meetings held during FY 2020-21	Attendance at AGM held on September 28, 2020	Directorship held in other Public Companies (excluding Kamdhenu Limited)	Number of Committee Position held in other Public Companies (excluding Kamdhenu Limited)	
						Membership	Chairmanship
6.	Shri Ramesh Chand Surana (DIN: 00089854)	Non- Executive, Independent Director	5	No	3	0	0
7.	Smt Nishal Jain (DIN: 06934656)	Non -Executive, Independent Director	5	No	1	0	0
8.	Shri Ramesh Chandra Jain (DIN: 00038529)	Non- Executive, Independent Director	5	Yes	5	2	0

* Shri Mahendra Kumar Doogar ceased to be Director of the Company due to his sudden and sad demise on 4th May, 2021.

d. Name of the other listed entities where the Directors of the Company held Directorship: .

Name of Directors	Name of Listed Entity	Category of the directorship
Shri Satish Kumar Agarwal	N.A	N.A
Shri Sunil Kumar Agarwal	N.A	N.A
Shri Saurabh Agarwal	N.A	N.A
Shri Sachin Agarwal	N.A	N.A
Shri Mahendra Kumar Doogar*	Sanghi Industries Limited	Non-Executive - Independent Director
	Dalmia Refractories Limited	Director
	Morgan Ventures Limited	Non-Executive - Independent Director
	Frick India Limited	Director
Shri Ramesh Chand Surana	N.A	N.A

* Shri Mahendra Kumar Doogar ceased to be Director of the Company due to his sudden and sad demise on 4th May, 2021.

e. None of the Directors of the Company are related to each other and there are no inter-se relationships between the Directors except the following:

Sr.No.	Name of Director	Designation	Relationship with other Directors
1.	Shri Satish Kumar Agarwal (DIN: 00005981)	Chairman & Managing Director	1. Father of Shri Saurabh Agarwal & Shri Sachin Agarwal 2. Brother of Shri Sunil Kumar Agarwal
2.	Shri Sunil Kumar Agarwal (DIN: 00005973)	Whole Time Director	Brother of Shri Satish Kumar Agarwal
3.	Shri Saurabh Agarwal (DIN: 00005970)	Whole Time Director	1. Son of Shri Satish Kumar Agarwal 2. Brother of Shri Sachin Agarwal
4.	Shri Sachin Agarwal (DIN: 01188710)	Whole Time Director	1. Son of Shri Satish Kumar Agarwal 2. Brother of Shri Saurabh Agarwal
5.	Shri Mahendra Kumar Doogar* (DIN: 00338537)	Independent Director	Not Related to any Director
6.	Shri Ramesh Chand Surana (DIN: 00089854)	Independent Director	Not Related to any Director
7.	Shri Ramesh Chandra Jain (DIN: 06934656)	Independent Director	Not Related to any Director
8.	Smt Nishal Jain (DIN: 00038529)	Independent Director	Not Related to any Director

* Shri Mahendra Kumar Doogar ceased to be Director of the Company due to his sudden and sad demise on 4th May, 2021.



None of the Directors on the Board is a Director in more than 7 listed entities. None of the Non – Executive Directors is an Independent Director in more than 7 listed entities as required under the Listing Regulations. Further, the Chairman & Managing Director and the Executive Director do not serve as Independent Directors in any listed Company. None of the Directors held Directorships in more than 20 Indian companies, with more than 10 public limited companies. None of the Directors on the Board is a member of more than ten Committees or Chairman of five Committees (committees being Audit Committee and Stakeholders Relationship Committee) across all Public Companies in India, in which he/she is a Director. Necessary disclosures regarding their Committee positions have been made by all the Directors.

All Directors are in compliance with the limit on Directorships /Independent Directorships of listed companies as prescribed under Regulation 17A of the Listing Regulations.

The Company has received declarations on criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations from the Directors of the Company who have been classified as Independent Directors as on 31st March, 2021.

- f. As on 31st March, 2021, none of the non – executive Directors hold equity shares in the Company. The Company has not issued any convertible instruments.

g. Chart/matrix setting out the skills/expertise/competence of the Board of Directors:

The Board of the Company is highly structured to ensure a high degree of diversity by age, education/qualifications, professional background, sector expertise and special skills.

The following are the skills /expertise/competencies as identified by the Board:

Name	Areas of Skills/ Expertise/ Competence								
	Leadership	Industry	Technical	Strategic	Risk management	Industry	Interpersonal	Finance	Governance
Shri Satish Kumar Agarwal	✓	✓	✓	✓	✓	✓	✓	-	✓
Shri Sunil Kumar Agarwal	✓	✓	✓	-	✓	✓	✓	-	✓
Shri Saurabh Agarwal	✓	✓	✓	-	✓	✓	✓	-	✓
Shri Sachin Agarwal	✓	✓	✓	-	✓	✓	✓	-	✓
Shri Mahendra Kumar Doogar	✓	✓	✓	✓	✓	-	✓	✓	✓
Shri Ramesh Chandra Jain	✓	✓	✓	✓	✓	-	✓	-	✓
Shri Ramesh Chand Surana	✓	✓	✓	✓	✓	-	✓	✓	-
Smt Nishal Jain	✓	✓	✓	-	✓	-	✓	-	-

h. Familiarization Program of Independent Directors:

The Independent directors of Kamdhenu Limited are eminent personalities having wide experience in the field of business, finance, industry, commerce and administration. Their presence on the Board has been advantageous and fruitful in taking business decisions. Independent Directors are appointed as per the policy of the Company, with management expertise and wide range of experience. The Directors appointed by the Board are given induction and orientation with respect to the Company's vision, strategic direction, core values, including ethics, corporate governance practices, financial matters and business operations by having one-to-one meetings. The new Board members are also requested to access the necessary documents/brochures, Annual Reports and internal policies available at our website to enable them to familiarize with the Company's procedures and practices. Periodic presentations are made by Senior Management, Statutory and Internal Auditors at the Board/Committee meetings on business and performance updates of the Company, business environment, business risks and its mitigation strategy, impact of regulatory changes on strategy etc. The details of the familiarization programme have been disclosed on the Company's website https://www.kamdhenulimited.com/Financial-Results/Familiarization-Programme-for-Independent-Directors_Kamdhenu.pdf.

i. Independent Directors

The Independent Directors of the Company have been appointed in terms of the requirements of the Act and the Listing Regulations. Formal letters of appointment have been issued to the Independent Directors and the terms and conditions of their appointment are disclosed on the Company's website at the web link: <https://www.kamdhenulimited.com/code-conduct.php>.

In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstances or situations which exist or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

- j. The Board is of the opinion that the Independent Directors fulfil the conditions specified in the Act and the Listing Regulations and that they are independent of the management.
- k. No Independent Director had resigned during FY 2020-21.

COMMITTEES OF THE BOARD

3. AUDIT COMMITTEE:

The Audit Committee has been constituted by the Board in accordance with the provisions of Section 177 of the Act and Regulation 18 of the Listing Regulations.

a. Terms of reference

The terms of reference of the Audit Committee covers the areas mentioned in Section 177 of the Act and Regulation 18 read with Part C of Schedule II to the Listing Regulations. The terms of reference of Audit Committee, inter-alia are as follows:

- i. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- ii. recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- iii. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- iv. reviewing, with the management, the annual financial statements and auditor's report

thereon before submission to the board for approval, with particular reference to:

- a. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
- b. changes, if any, in accounting policies and practices and reasons for the same;
- c. major accounting entries involving estimates based on the exercise of judgment by management;
- d. significant adjustments made in the financial statements arising out of audit findings;
- e. compliance with listing and other legal requirements relating to financial statements;
- f. disclosure of any related party transactions;
- g. modified opinion(s) in the draft audit report;
- v. reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- vi. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- vii. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- viii. approval or any subsequent modification of transactions of the listed entity with related parties;
- ix. scrutiny of inter-corporate loans and investments;



- x. valuation of undertakings or assets of the listed entity, wherever it is necessary;
- xi. evaluation of internal financial controls and risk management systems;
- xii. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- xiii. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- xiv. discussion with internal auditors of any significant findings and follow up there on;
- xv. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- xvi. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- xvii. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- xviii. To review the functioning of the whistle blower mechanism;
- xix. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- xx. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- xxi. Reviewing the utilization of loans and/ or advances from/investment by the holding Company in the subsidiary exceeding rupees 100 Crore or 10% of the asset size of the

subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

- xxii. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- xxiii. Review of the following information:
 1. management discussion and analysis of financial condition and results of operations;
 2. statement of significant related party transactions (as defined by the audit committee), submitted by management;
 3. management letters / letters of internal control weaknesses issued by the statutory auditors;
 4. internal audit reports relating to internal control weaknesses; and
 5. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
 6. statement of deviations:
 - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - b. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

b. Composition of the Committee, Meetings and attendance of the Members of the Committee:

The Audit Committee met four (4) times during FY 2020-21. The dates on which the Audit Committee Meetings held were 29th June, 2020, 14th August, 2020, 9th November, 2020 and 3rd February, 2021. Requisite quorum was present at the above meetings.

The composition of the Committee and the details of the meetings attended by its members during the financial year ended 31st March, 2021 are as under:

Name of Members	Category of Directors	No. of Meetings held	No. of Meetings attended
Shri Mahendra Kumar Doogar*	Non-Executive, Independent Director, Chairperson	4	4
Shri Sunil Kumar Agarwal	Executive Director, Member (Whole Time Director)	4	4
Shri Ramesh Chand Surana	Non-Executive, Independent Director, Member	4	4
Smt Nishal Jain	Non-Executive, Independent Director, Member	4	4

* Shri Mahendra Kumar Doogar ceased to be Member of the Committee due to his sudden and sad demise on 4th May, 2021.

The Audit Committee meetings are usually attended by the Chief Financial Officer and the representatives of Statutory Auditors, Internal Auditors and respective departmental heads, wherever required. The Company Secretary acts as the Secretary of the Audit Committee.

All the recommendations of the Audit Committee have been accepted by the Board of Directors.

Shri Mahendra Kumar Doogar, as Chairman of the Audit Committee was present at the Annual General Meeting of the Company held on 28th September, 2020.

4. **NOMINATION AND REMUNERATION COMMITTEE:**

The Nomination and Remuneration Committee (NRC) has been constituted by the Board in compliance with the requirements of Section 178 of the Act and Regulation 19 of the Listing Regulations.

a. **Terms of reference**

The terms of reference of the NRC covers the areas mentioned in Section 178 of the Act and Regulation 19 read with Part D (A) of Schedule II to the Listing Regulations. The terms of reference of the NRC, inter – alia as follows

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of performance of independent directors and the board of directors;
3. devising a policy on diversity of board of directors;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
6. Recommend to the board, all remuneration, in whatever form, payable to senior management.
7. Carrying out any other function as is mentioned in the terms of reference of the NRC committee.

b. **Composition of the Committee and Attendance at meetings during the year.**

During FY 2020-21, the NRC met 2 (Two) times on 29th June, 2020 and 3rd February, 2021. The composition of the NRC and details of meetings attended by its members during the Financial Year ended 31st March, 2021, are given below:



Name of the Member	Category of the Directors	Number of Meetings held	Number of Meetings Attended
Shri Mahendra Kumar Doogar*	Non- Executive, Independent Director, Chairperson	2	2
Shri Ramesh Chand Surana	Non- Executive, Independent Director, Member	2	2
Smt Nishal Jain	Non- Executive, Independent Director, Member	2	2

*Shri Mahendra Kumar Doogar ceased to be Member of the Committee due to his sudden and sad demise on 4th May, 2021.

Shri Mahendra Kumar Doogar, as Chairman of the NRC was present at the Annual General Meeting of the Company held on 28th September, 2020.

c. Performance evaluation criteria for independent directors

Pursuant to the provisions of the Companies Act, 2013 and the applicable provisions of the Listing Regulations, the Annual Performance Evaluation was carried out for FY 2020-21 by the Board in respect of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration, Stakeholders' Relationship and Corporate Social Responsibility Committees. A structured questionnaire covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance was prepared after taking into consideration the Guidance note issued by SEBI vide circular no CMD/CIR/P/2017/004 dated 5th January, 2017.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board who were evaluated on parameters such as guidance/ support to Management outside Board/ Committee meetings, degree of fulfillment of key responsibilities, effectiveness of meetings etc. The performance evaluation of the Independent Directors was carried out by the entire Board.

d. Nomination & Remuneration policy

The Executive Directors of the Company are paid, as approved by the Board of Directors, on the recommendation of the Nomination & Remuneration Committee. The remuneration is decided, considering various factors such as qualification, experience, expertise, remuneration prevailing in the industry, financial position of the Company. The Company pays sitting fees only to its Non- Executive Independent Directors for attending the meetings of the Board and committees thereof.

Non-Executive Independent Directors do not hold any equity shares in the Company. There has been no pecuniary relationship or transactions other than above to the Non-Executive Independent Directors with the Company during FY 2020-21 under review.

5. Stakeholders Relationship Committee

- The Stakeholders' Relationship Committee has been constituted by the Board in compliance with the requirements of Section 178 (5) of the Act and Regulation 20 of the Listing Regulations. Shri Mahendra Kumar Doogar, Independent Director was the Chairman of this Committee as on 31st March, 2021.
- Shri Ashish Kapil Company Secretary and Compliance Officer of the Company held the position of Compliance officer of this purpose.

*Shri Ashish Kapil has been resigned from the post of Company Secretary & Compliance Officer of the Company w.e.f. closure of business hours of 3rd April, 2021.

c. Terms of Reference

The terms of reference of the Stakeholders Relationship Committee (SRC) covers the areas mentioned in Section 178 (5) of the Act and Regulation 20 read with Part D (B) of Schedule II to the Listing Regulations. The terms of reference of the SRC, inter-alia are as follows:

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
5. Carrying out any other function as is mentioned in the terms of reference of the Stakeholders' Relationship Committee.

During FY 2020-21, the Committee met Four (4) times on 29th June, 2020, 14th August, 2020, 9th November, 2020 and 3rd February, 2021. The composition of the Stakeholders Relationship Committee and the details of the meetings attended by its members during the Financial Year ended 31st March, 2021 are as under:

Name of the Members	Category of Directors	Number of meetings held	Number of meetings attended
Shri Mahendra Kumar Doogar*	Non Executive Independent Director-Chairperson	4	4
Shri Saurabh Agarwal	Executive Director, Member (Whole Time Director)	4	4
Shri Ramesh Chand Surana	Non - Executive Independent Director, Member	4	4

*Shri Mahendra Kumar Doogar ceased to be Member of the Committee due to his sudden and sad demise on 4th May, 2021.

Number of Shareholders Complaints received during FY 2020-21	3
Number of Shareholders Complaints not solved to the satisfaction of shareholders during FY 2020-21	0
Number of Shareholders Complaints pending at the end of FY 2020-21	0

6. Risk Management Committee

As per the SEBI notification dated 5th May, 2021, as amended from time to time, requires top one thousand listed entities based on market capitalization (calculated as on 31st March of every financial year) to formulate a Risk Management Committee.

The Company in its Board Meeting held on 21st June, 2021 constituted Risk Management Committee in compliance with the requirements of Regulation 21 of the Listing Regulations.

a. Terms of Reference

1. To formulate a detailed risk management policy which shall include:
 - a. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - b. Measures for risk mitigation including systems and processes for internal control of identified risks.
 - c. Business continuity plan.
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;



4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
 5. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
 6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.
 7. To coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors from time to time.
 8. Carrying out any other function as is mentioned in the terms of reference of the Risk Management Committee.
- b. Composition

The composition of the Risk Management Committee is as under:

Name of the Members	Category of Directors
Shri Satish Kumar Agarwal	Chairman & Managing Director
Shri Sunil Kumar Agarwal	Whole Time Director, Member
Shri Ramesh Chand Surana	Non - Executive Independent Director, Member
Shri Ramesh Chandra Jain	Non - Executive Independent Director, Member
Shri Harish Kumar Agarwal	Chief Financial Officer, Member
Shri Vineet Kumar Agarwal	Member

The Company Secretary of the Company act as the Secretary to the Risk Management Committee.

7. **Corporate Social Responsibility Committee:** The Corporate Social Responsibility (CSR) Committee has been constituted by the Board in compliance with the requirements of Section 135 of the Act.

- a. **Terms of reference:** The terms of reference of the CSR Committee are:

- The CSR Committee shall Formulate and recommend to the Board, an annual action plan of CSR Activities to be carried out during a financial year in pursuance of its Corporate Social Responsibility Policy which shall include the following, namely:-
 - a. the list of CSR projects or programmes or activities that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
 - b. the manner of execution of such projects or programmes;
 - c. the modalities of utilization of funds and implementation schedules for the projects or programmes;
 - d. monitoring and reporting mechanism for the projects or programmes; and
 - e. details of need and impact assessment, if any, for the projects undertaken by the Company:

Provided that Board may alter such plan at any time during the Financial Year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

The CSR Committee shall formulate and recommend to the Board, a CSR policy and activities to be undertaken by the Company as per Schedule VII;

The CSR Committee shall recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and

- The CSR Committee shall monitor the Corporate Social Responsibility Policy of the Company from time to time.
- Any other agenda item as may be delegated by the Board of Directors to be reviewed/approved by the Committee from time to time.

The Board has adopted the CSR policy as formulated and recommended by the Committee. The CSR Policy is available on the website of the Company at the web link <https://www.kamdhenulimited.com/Financial-Results/CORPORATE-SOCIAL-RESPONSIBILITY-POLICY.PDF>. The Annual Report on CSR activities for the Financial Year 2020-21 forms part of the Board's Report.

During FY 2020 -21, the Committee met two (2) times i.e. on 29th June, 2020 and 3rd February, 2021.

The composition of the CSR Committee and the details of the meetings attended by its members during the Financial Year ended 31st March, 2021 are as under:

Name of the Member	Category of Directors	Number of Meetings held	Number of Meetings Attended
Shri Satish Kumar Agarwal	Executive Director, Chairman (CMD)	2	2
Shri Sunil Kumar Agrawal	Executive Director, Member (Whole Time Director)	2	2
Shri Mahendra Kumar Doogar*	Non-Executive - Independent Director, Member	2	2

*Shri Mahendra Kumar Doogar ceased to be Member of the Committee due to his sudden and sad demise on 4th May, 2021.

8. Remuneration of Directors

Independent Directors and Non-Executive Directors

Non-Executive Directors (NEDs) are paid sitting fees for attending the Meetings of the Board and of Committees of which they are Members and Commission within regulatory limits, as recommended by the NRC and approved by the Board.

Managing Director ('MD')/ Executive Director ('ED')/ Key Managerial Personnel ('KMP')/ rest of the employees

The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence, remuneration should be market competitive, driven by the role played by the individual, reflective of the size of the Company, complexity of the Sector/ Industry/ Company's Operations and the Company's capacity to pay, consistent with recognized best practices and aligned to regulatory requirements.

Basic/Fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience. In addition, the Company provides employees with certain perquisites, allowances and benefits in accordance with terms of employment/contract.

Details of remuneration paid during FY 2020 -21:

a. Non-Executive Directors (NEDs):

(₹ In Lakh)

Name of Non-Executive Director	Sitting fees (paid in FY 2020-21)
Shri Mahendra Kumar Doogar (ID)	5.20
Shri Ramesh Chandra Jain (ID)	2.80
Shri Ramesh Chand Surana (ID)	5.01
Smt Nishal Jain (ID)	4.60

The Company pays sitting fees of ₹ 50,000 per Meeting to the NEDs for attending the Board Meetings, ₹ 40,000 for Audit Committees and ₹ 10,000 for other Committees viz. NRC, CSR, Stakeholders Relationship Committee.

**b. Managing Director and Executive Director:**

(₹ In Lakh)

Name of Directors	Fixed Salary				Bonus/ Incentives/ Commission	Sitting Fee	Total	Stock Options	No. of equity Shares Held
	Basic	Perquisites/ Allowances	Retrials Benefits	Total fixed salary					
Shri Satish Kumar Agarwal (CMD)	143.75	0.79	-	-	-	-	144.54	-	1281842
Shri Sunil Kumar Agarwal (WTD)	140.88	0.79	-	-	-	-	141.67	-	1545292
Shri Saurabh Agarwal (WTD)	138.00	0.79	-	-	-	-	138.79	-	826500
Shri Sachin Agarwal (WTD)	138.00	0.79	-	-	-	-	138.79	-	923719

Non -Executive Directors have no pecuniary relationship and transactions with the Company during FY 2020-21 other than sitting fees for attending board and committee meetings of the Company. Criteria for making payments to Non-Executive directors of the Company are disclosed in the Nomination and Remuneration Policy available in the website of the Company at https://www.kamdhenulimited.com/Financial-Results/Nomination-Remuneration-Policy_Kamdhenulimited.pdf

9. GENERAL BODY MEETINGS**Location and time, where last three AGMs were held:****The last three Annual General Meetings of the Company were held as under:**

Year	Location of AGM	Date of AGM	Time	Details of Special Resolutions passed at AGM
2019 -20	Held through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM")	28th September, 2020	10.00 A.M	No special resolution was passed.
2018 -19	Hotel Pride Plaza, Aero City, New Delhi-110037	30th September, 2019	10.00 A.M	<ol style="list-style-type: none"> To appoint Shri Mahendra Kumar Doogar as an Independent Director. To appoint Shri Ramesh Chand Surana as an Independent Director. To appoint Shri Ramesh Chandra Jain as an Independent Director. To appoint Smt Nishal Jain as an Independent Director. To Re-appoint Shri Satish Kumar Agarwal as Whole-Time Director of the Company and approval of remuneration payable to him with effect from 1st April, 2020 upto 31st March, 2023. To Re-appoint Shri Sunil Kumar Agarwal as Whole-Time Director of the Company and approval of remuneration payable to him with effect from 1st April, 2020 upto 31st March, 2023. To Re-appoint Shri Saurabh Agarwal as Whole-Time Director of the Company and approval of remuneration payable to him with effect from 1st April, 2020 upto 31st March, 2023. To Re-appoint Shri Sachin Agarwal as Whole-Time Director of the Company and approval of remuneration payable to him with effect from 1st April, 2020 upto 31st March, 2023.

Year	Location of AGM	Date of AGM	Time	Details of Special Resolutions passed at AGM
2017 -18	Hotel Mapple Emerald, NH-8, Rajokari, New Delhi-110038	24th September, 2018	10.00 A.M	<ol style="list-style-type: none"> To increase the remuneration payable to Shri Satish Kumar Agarwal with effect from 1st April, 2018 upto 31st March, 2020. To increase the remuneration payable to Shri Sunil Kumar Agarwal with effect from 1st April, 2018 upto 31st March, 2020. To increase the remuneration payable to Shri Saurabh Agarwal with effect from 1st April, 2018 upto 31st March, 2020. To increase the remuneration payable to Shri Sachin Agarwal with effect from 1st April, 2018 upto 31st March, 2020.

Postal Ballot during the Financial Year 2020-21

No postal ballot was conducted during FY 2020-21.

Person who conducted the postal ballot exercise: Not Applicable

Whether any special resolution is proposed to be conducted through postal ballot: At present, there is no proposal to pass any special resolution through Postal Ballot.

Procedure for Postal Ballot – Not Applicable

10. Means of Communications

The quarterly/half-yearly/annual financial results (Standalone and Consolidates) of the Company are uploaded on NSE Electronic Application Processing System (NEAPS) and BSE Listing Centre in accordance with the requirements of Listing Regulations. The Extract of the financial results are displayed on BSE and NSE websites. The financial results are published in Financial Express (English) and Jansatta (Hindi) newspapers and posted on Company's website viz. www.kamdhenulimited.com. The official media releases and presentations made to Institutional Investors/Analysts and audio recording of Analyst Calls, and transcripts are posted on the Company's website at www.kamdhenulimited.com.

11. GENERAL SHAREHOLDER INFORMATION

A. 27th Annual General Meeting (AGM)

Date and Time : 27th September, 2021 at 10:00 A.M (IST)

Venue : The Company will be conducting AGM through VC / OAVM deemed venue of the Meeting will be 2nd Floor, Tower A, Building No.9, DLF Cyber City, Phase-III, Gurgaon, Haryana- 122002

For details, please refer to the Notice of this AGM.

B. Financial Year: 1st April to 31st March.

Board Meetings for approval of:	On or before
Financial Results for the Quarter 1 ending 30th June, 2021	14th August, 2021
Financial Results for the Quarter 2 ending 30th September, 2021	14th November, 2021
Financial Results for the Quarter 3 ending 31st December, 2021	14th February, 2022
Audited Financial Results for the financial year ending 31st March, 2022	30th May, 2022

C. Dividend Payment Date:

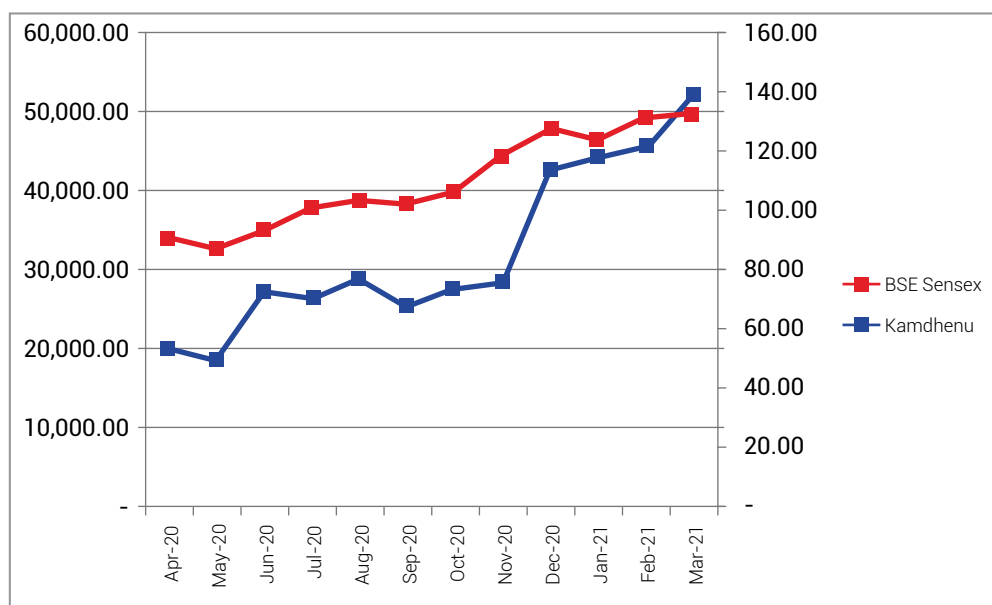
The Dividend, if declared at AGM, will be paid within 30 days from the AGM.

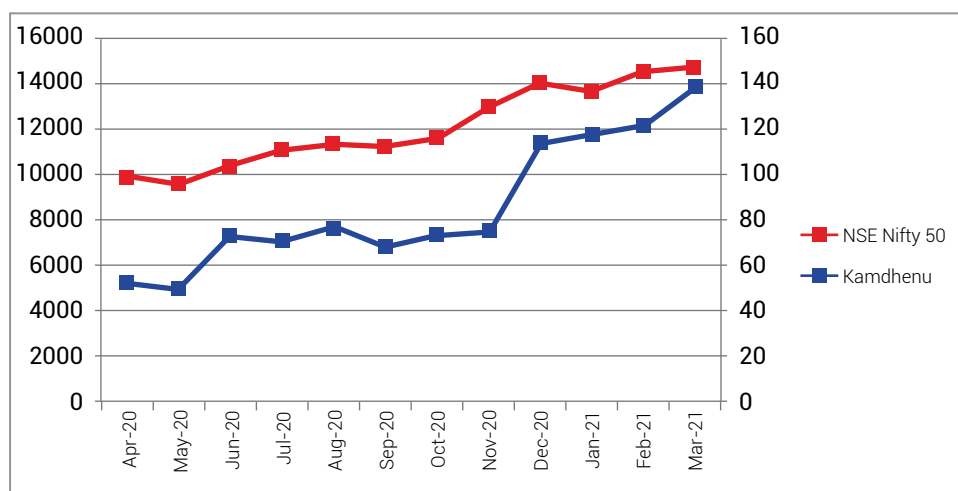
**D. Listing on Stock Exchanges and Stock Code**

S. No.	Name of the Stock Exchange	Security Listed	Stock Code
1	National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra(E), Mumbai-400 051	Equity Shares	KAMDHENU
2	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001	Equity Shares	532741

Market Price Data: High and Low during each month in FY 2020 – 21:

Date	BSE Sensex				NSE Nifty 50			
	Open	High	Low	Close	Open	High	Low	Close
Apr-20	29,505.33	33,887.25	27,500.79	33,717.62	8,584.10	9,889.05	8,055.80	9,859.90
May-20	32,748.14	32,845.48	29,968.45	32,424.10	9,533.50	9,598.85	8,806.75	9,580.30
Jun-20	32,906.05	35,706.55	32,348.10	34,915.80	9,726.85	10,553.15	9,544.35	10,302.10
Jul-20	35,009.59	38,617.03	34,927.20	37,606.89	10,323.80	11,341.40	10,299.60	11,073.45
Aug-20	37,595.73	40,010.17	36,911.23	38,628.29	11,057.55	11,794.25	10,882.25	11,387.50
Sep-20	38,754.00	39,359.51	36,495.98	38,067.93	11,464.30	11,618.10	10,790.20	11,247.55
Oct-20	38,410.20	41,048.05	38,410.20	39,614.07	11,364.45	12,025.45	11,347.05	11,642.40
Nov-20	39,880.38	44,825.37	39,334.92	44,149.72	11,697.35	13,145.85	11,557.40	12,968.95
Dec-20	44,435.83	47,896.97	44,118.10	47,751.33	13,062.20	14,024.85	12,962.80	13,981.75
Jan-21	47,785.28	50,184.01	46,160.46	46,285.77	14,104.35	14,753.55	13,596.75	13,634.60
Feb-21	46,617.95	52,516.76	46,433.65	49,099.99	13,758.60	15,431.75	13,661.75	14,529.15
Mar-21	49,747.71	51,821.84	48,236.35	49,509.15	14,702.50	15,336.30	14,264.40	14,690.70





(Based on month ended closing price of Company on BSE and month ended BSE Sensex)

H. Securities of the Company has not been suspended from trading during FY 2020-21.

I. Registrar to an issue and Share Transfer Agents

M/s Kfin Technologies Private Limited
(Formerly Karvy Fintech Private Limited)
Karvy Selenium Tower B, Plot number 31 & 32, Financial District, Nanakramguda
Serilingampally Mandal, Hyderabad – 500032, India
Phone : +91 040 6716 1518, M : +91 9866515032
E-mail: mailmanager@karvy.com, suresh.d@kfintech.com
Website: <https://www.kfintech.com/>

J. Share Transfer System:

As per directives issued by SEBI, it is compulsory to trade in the Company's equity shares in dematerialized form. Effective 1st April, 2019, transfer of shares in physical form has ceased. Shareholders who had lodged their request for transfer prior to 31st March, 2019 and, have received the same under objection can relodge the transfer request after rectification of the documents. Request for transmission of shares and dematerialization of shares will continue to be accepted.

K. Distribution of Shareholding as at March 31, 2021.

Sl no	Category (Shares)	No.of Holders	% To Holders	No.of Shares	% To Equity
1	1 - 500	11586	89.37	1374170	5.10
2	501 -1000	697	5.38	568722	2.11
3	1001 -2000	307	2.37	484232	1.80
4	2001 -3000	106	0.82	275175	1.02
5	3001 -4000	48	0.37	174120	0.65
6	4001 -5000	51	0.39	238482	0.89
7	5001 -10000	71	0.55	523692	1.94
8	10001 and above	98	0.76	23296907	86.49
	TOTAL:	12964	100.00	26935500	100.00

**L. Dematerialization of Shares & liquidity**

Equity shares of your Company are in compulsory De-mat settlement mode and can be traded only in demat form. Except 7013 equity shares out of total issued capital of the Company, all the shares of the Company are in de-mat form.

International Securities Identification Number (ISIN) allotted to the Company by NSDL and CDSL is INE390H01012.

- M. Outstanding global depository receipts or american depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity; Nil

- N. **Commodity price risk or foreign exchange risk and hedging activities. Nil**

O. Plant locations:

Steel Division	1112 & A-1114, RIICO Industrial Area, Phase-III, Bhiwadi, District Alwar-301019, Rajasthan Phone: 01493-520401-430 Fax:01493-520428
Paint Division	E-538-539 A, Industrial Area, Chopanki, Distt. Alwar, Rajasthan, Phone: 01493-306801-820 Fax:01493-306810

P. Address for Correspondence

Kamdhenul Limited, 2nd Floor, Tower A, Building No. 9,

DLF Cyber City, Phase-III, Gurgaon-122002 (Haryana)

Phone:0124-4604500

Email: kamdhenu@kamdhenulimited.com

- Q. List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad:**

Not Applicable as the Company has not issued any debt instruments or fixed deposit programme or any scheme or proposal of involving mobilization of funds, whether in India or abroad during the financial year ended 31st March, 2021.

OTHER DISCLOSURES

- A. All transactions entered into by the Company with related parties, as defined under the Act and the Listing Regulations, during FY 2020-21 were in the ordinary course of business and on arm's length price basis and do not attract the provisions of Section 188 of the Act. There were no materially significant transactions with the related parties during the financial year which were in conflict with the interest of Company. Necessary disclosures as required under the Indian Accounting Standards have been made in the Financial Statements. The Board has approved a policy on materiality of related party transactions on dealing with related party transactions and the same is disclosed on the website of the Company at the link <https://www.kamdhenulimited.com/Financial-Results/Related-Party-Transaction-Policy.pdf>.
- B. The Company has complied with the requirements of the Stock Exchanges / SEBI and Statutory Authorities on all matters related to the capital markets during the last three years. No penalty or strictures were imposed on the Company by any of these authorities except mentioned below:
- (i) National Stock Exchange of India Limited (NSE) on 18th January, 2021 issued a Notice for non-compliance of Regulation 23(9) of Listing Regulations Pursuant to which Company has paid a penalty of ₹ 2,53,700 to NSE. BSE Limited (BSE) on 5th February, 2021 issued a Notice for non-compliance of Regulation 23(9) of Listing Regulations. Pursuant to which Company has paid a penalty of ₹ 2,47,800 to BSE.

C. Vigil mechanism/ Whistle blower policy

The Company has adopted a Whistle Blower Policy and has established necessary Vigil Mechanism as required under Regulation 22 of the Listing Regulations for Directors and employees to report concerns about any unethical behavior. No person has been denied access to the Chairman of the Audit Committee. The said policy has also been disclosed on the website of the Company at the link www.kamdhenulimited.com.

- D. The Company has complied with all the mandatory requirements of the Listing Regulations. The Company has also adopted the following discretionary requirements as provided in the Listing Regulations:
- The Internal Auditor functionally reports to the Audit Committee.
 - The auditor have expressed an unmodified opinion in their report on the financial statements of the Company are.
- E. The policy to determine a material subsidiary has been framed and the same is disclosed on the Company's website at the link <https://www.kamdhenulimited.com/Financial-Results/POLICY-ON-RELATED-PARTY-TRANSACTIONS.PDF>.
- F. Policy on dealing with related party transactions is available at <https://www.kamdhenulimited.com/code-conduct.php>.
- G. Disclosure of commodity price risks and commodity hedging activities: Nil
- H. During FY 2020-21, the Company has not raised any fund through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of Listing Regulations.
- I. Certificate from a Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.
- All the Directors of the Company have submitted a declaration stating that they are not debarred or disqualified by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such Statutory Authority from being appointed or continuing as Directors of Companies. Shri Shashikant Tiwari (M. No.: ACS 28994, CP No. 13050), Practicing Company Secretary, has submitted a certificate to this effect.
- J. During FY 2020-21, the Board has accepted all the recommendations of its Committees.
- K. Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part is given below:

(₹ In Lakh)

Particulars	Year ended 31st March, 2021
Statutory audit fee	5.18
Taxation matters	0.60
Total	5.78

L. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Number of complaints filed during the Financial Year	:	0
Number of complaints disposed of during the Financial Year	:	0
Number of complaints pending as on end of the Financial Year	:	0

12. The Company has duly complied with the requirements specified in Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.
- C. The Managing Director and the Chief Financial Officer have certified to the Board in accordance with Regulation 33(2)(a) of the Listing Regulations pertaining to Managing Director/CFO certification for the Financial Year ended 31st March, 2021. The Managing Director and Chief Financial Officer have also issued compliance certificate to the Board pursuant to the provisions of Regulation 17(8) of the Listing Regulations certifying that the financial statements



do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. The said Certificate is annexed and forms part of the Annual Report.

- D. A compliance certificate from Shri Shashikant Tiwari (ACS 28994, CP 13050), Practicing Company Secretary, pursuant to the requirements of Schedule V to the Listing Regulations regarding compliance of conditions of Corporate Governance is attached.
- E. Disclosures with respect to demat suspense account/ unclaimed suspense account:

(a) aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year;	Shareholders: 6 Outstanding Shares: 1200
(b) number of shareholders who approached listed entity for transfer of shares from suspense account during the year;	NIL
(c) number of shareholders to whom shares were transferred from suspense account during the year;	NIL
(d) aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year;	Shareholders: 6 Outstanding Shares: 1200
(e) that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.	We also confirm that voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

**BY ORDER OF THE BOARD OF DIRECTORS OF
KAMDHENU LIMITED**

Date: 21st June, 2021
Place: Gurgaon

(Satish Kumar Agarwal)
Chairman & Managing Director
DIN: 00005981

(Sunil Kumar Agarwal)
Whole Time Director
DIN: 00005973

DECLARATION BY THE MANAGING DIRECTOR ON CODE OF CONDUCT AS REQUIRED BY SCHEDULE V OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Board of Directors
Kamdhenu Limited

I, Satish Kumar Agarwal, Managing Director of the Company hereby declare that all the Board Members and Senior Management Personnel have affirmed compliance with Code of Conduct, as applicable to them, in respect of FY 2020-21.

Date: 21st June, 2021
Place: Gurgaon

Satish Kumar Agarwal
Chairman & Managing Director
DIN: 00005981

MANAGING DIRECTOR / CFO CERTIFICATION IN RESPECT OF FINANCIAL STATEMENTS AND CASH FLOW STATEMENT

(Pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements)
Regulations, 2015 for the Financial Year ended 31st March, 2021)

**To,
The Board of Directors
Kamdhenu Limited**

We have reviewed the Financial Statements and the Cash Flow Statement for the Financial Year ended 31st March, 2021 and we hereby certify and confirm to the best of our knowledge and belief the following:

- a) The Financial Statements and Cash Flow statement do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- b) The Financial Statements and the Cash Flow Statement together present a true and fair view of the affairs of the Company and are in compliance with existing accounting standards, applicable laws and regulations;
- c) There are no transactions entered in to by the Company during the year ended 31st March, 2021 which are fraudulent, illegal or violative of Company's Code of Conduct;
- d) We accept responsibility for establishing and maintaining internal controls for Financial Reporting and we have evaluated the effectiveness of these internal control systems of the Company pertaining to financial reporting. Deficiencies noted, if any, are discussed with the Auditors and Audit Committee, as appropriate, and suitable actions are taken to rectify the same;
- e) There have been no significant changes in the above mentioned internal controls over financial reporting during FY 2020-21;
- f) That there have been no significant changes in the accounting policies during FY 2020-21.
- g) We have not noticed any significant fraud particularly those involving the, management or an employee having a significant role in the Company's internal control system over Financial Reporting.

Date: 21st June, 2021
Place: Gurgaon

Satish Kumar Agarwal
Chairman & Managing Director
DIN: 00005981

Harish Kumar Agarwal
Chief Financial Officer



CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,

The Members

Kamdhenu Limited

2nd Floor, Tower-A, Building No. 9,

DLF Cyber City, Phase-III,

Gurgaon – 122002, Haryana

We have examined all relevant records of Kamdhenu Limited (the Company) for the purpose of certifying of all the conditions of the Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Financial Year ended 31st March, 2021. We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof. This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

On the basis of our examination of the records produced explanations and information furnished, we certify that the Company has complied with the conditions of the Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For **Chandrasekaran Associates**

Company Secretaries

Shashikant Tiwari

Partner

Membership No. A28994

Certificate of Practice No. 13050

UDIN: A028994C000487771

Firm Unique Registration Number: P1988DE002500

Peer Review Certificate No.: 754/2020

Date: 21st June, 2021

Place: Delhi

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To

The Members,

KAMDHENU LIMITED

2nd Floor, Tower-A, Building No. 9,

DLF Cyber City, Phase-III,

Gurgaon – 122002, Haryana

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Kamdhenu Limited having CIN: L27101HR1994PLC092205 and having registered office at 2nd Floor, Tower-A, Building No. 9, DLF Cyber City, Phase-III, Gurgaon – 122002, Haryana (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

S. No.	Name of Directors	DIN	Date of appointment in Company
1.	Shri Satish Kumar Agarwal	00005981	12th September, 1994
2.	Shri Saurabh Agarwal	00005970	1st January, 2003
3.	Shri Sunil Kumar Agarwal	00005973	1st February, 2003
4.	Shri Sachin Agarwal	01188710	14th April, 2007
5.	Shri Ramesh Chand Surana	00089854	30th May, 2012
6.	Shri Ramesh Chandra Jain	00038529	2nd May, 2019
7.	Smt Nishal Jain	06934656	31st July, 2014
8.	Shri Mahendra Doogar Kumar*	00319034	22nd September, 2006

*Shri Mahendra Doogar Kumar ceased to be Director of the Company w.e.f. from 4th May, 2021 due to sudden demise.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Chandrasekaran Associates**
Company Secretaries

Shashikant Tiwari
Partner

Membership No. A28994

Certificate of Practice No. 13050

UDIN: A028994C000487771

Firm Unique Registration Number: P1988DE002500

Peer Review Certificate No.: 754/2020

Date: 21st June, 2021

Place: Delhi

ANNEXURE-V

BUSINESS RESPONSIBILITY REPORT

SECTION A:

GENERAL INFORMATION ABOUT THE COMPANY:

1.	Corporate Identity Number (CIN) of the Company	L27101HR1994PLC092205															
2.	Name of the Company	Kamdhenul Limited															
3.	Registered address	2nd Floor, Tower-A, Building No. 9, DLF Cyber City, Phase-III, Gurgaon - 122 002 (Haryana).															
4.	Website	https://www.kamdhenulimited.com															
5.	E-mail id	kamdhenul@kamdhenulimited.com															
6.	Financial Year reported	2020-21															
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	<p>As per classification under National Industrial Classification (2008), Central Statistical Organization, Ministry of Statistics and Programme Implementation, Government of India, New Delhi.</p> <table border="1"> <thead> <tr> <th>Group</th><th>Class</th><th>Description</th></tr> </thead> <tbody> <tr> <td>241</td><td>2410</td><td>Manufacturing of basic iron and steel</td></tr> <tr> <td>251</td><td>2511</td><td>Manufacture of structural metal products</td></tr> <tr> <td>202</td><td>2022</td><td>Manufacture of paints, varnishes, enamels or lacquers</td></tr> <tr> <td>201</td><td>2011</td><td>Manufacture of organic and inorganic chemical compounds n.e.c.</td></tr> </tbody> </table>	Group	Class	Description	241	2410	Manufacturing of basic iron and steel	251	2511	Manufacture of structural metal products	202	2022	Manufacture of paints, varnishes, enamels or lacquers	201	2011	Manufacture of organic and inorganic chemical compounds n.e.c.
Group	Class	Description															
241	2410	Manufacturing of basic iron and steel															
251	2511	Manufacture of structural metal products															
202	2022	Manufacture of paints, varnishes, enamels or lacquers															
201	2011	Manufacture of organic and inorganic chemical compounds n.e.c.															
8.	List three key products/services that the Company manufactures/ provides (as in balance sheet)	<ul style="list-style-type: none"> Steel Products- TMT Bars, Structural Steel, Colour Coated Roofing Sheets etc. Paints and Allied Products 															
9.	Total number of locations where business activity is undertaken by the Company:																
	a. Number of international Locations (Provide details of major 5)	None															
	b. Number of National Locations	<p>a. Plants:</p> <ul style="list-style-type: none"> Steel Plant at Bhiwadi, Rajasthan; Paint Plant at Chopanki, Rajasthan. <p>b. Franchisee Units</p> <ul style="list-style-type: none"> The Company has carried out the franchisee business in PAN India basis except the States of Arunachal Pradesh, Kerala, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim and Tripura. Paint Depot The Company has paint depots across PAN India except the states of Chandigarh, Puducherry, Goa, Kerala, Tamil Nadu, Assam, Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim and Tripura. 															
10.	Markets served by the Company – Local/State/ National/International	Mainly local (India).															

SECTION B:

FINANCIAL DETAILS OF THE COMPANY:

1.	Paid up Capital (INR)	₹ 2,693.55 Lakhs
2.	Total Turnover (INR)	₹ 62,522.13 Lakhs
3.	Total profit after taxes (INR)	₹ 1,509.11 Lakhs
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	Refer Annexure III of the Directors' Report for FY 2020-21.
5.	List of activities in which expenditure in 4 above has been incurred	

SECTION C:

OTHER DETAILS

1. Does the Company have any subsidiary Company/ companies?

Yes, as on 31st March, 2021, the Company had Three (3) subsidiaries namely:

- Kamdhenu Ventures Limited
- Kamdhenu Colour and Coatings Limited
- Kamdhenu Jeevandhara Foundation (Section 8 Company).

2. Do the subsidiary Company/ companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such subsidiary Company/ companies.

CSR initiatives of the Company carried out through Kamdhenu Jeevandhara Foundation (Section 8 Company) is. Except this no subsidiary participate in BR initiatives of the Company.

3. Do any other entity/entities (e.g. suppliers and distributors, among others) that the Company does business with; participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

No

**SECTION D:****BR INFORMATION:****1. Details of Director/Directors responsible for BR Details of the Director/Directors responsible for the implementation of the BR policy/policies**

DIN No.	00005981		
Name	Shri Satish Kumar Agarwal		
Designation	Chairman & Managing Director		
Details of the BR head (Steel Division)	Sr. No.	Particulars	Details
	1.	DIN Number (if applicable)	NA
	2.	Name	Shri Hemesh Mathur
	3.	Designation	Manager
	4.	Telephone number	01493-520401-430
	5.	e-mail id	hemeshmathur@gmail.com
Details of the BR head (Paint Division)	Sr. No.	Particulars	Details
	1.	DIN Number (if applicable)	NA
	2.	Name	Shri Rajkumar Srivastava
	3.	Designation	National Head- Sales & Marketing
	4.	Telephone number	0124-4604500
	5.	e-mail id	rajkumar@kamdhenulimited.com

2. Principle-wise (as per NVGs) BR policy / policies**a. Details of compliance (Reply in Y / N):**

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have policy/policies for....	Y	Y	Y	Y	Y	Y	N	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	Y
3	Does the policy conform to any national/ international standards?	Y	Y	Y	Y	Y	Y	NA	Y	Y
4	Has the policy been approved by the Board? If yes, has it been signed by MD/owner/ CEO/appropriate Board Director?	Y	Y	Y	Y	Y	Y	NA	Y	Y
5	Does the Company have a specified committee of the Board of Directors/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	NA	Y	Y
6	Indicate the link for the policy to be viewed online?	All our policies are made available to respective stakeholders. Some of our policies are available on the Company's website at https://www.kamdhenulimited.com/code-conduct.php								

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	Y
8	Does the Company have in-house structure to implement the policy/policies	Y	Y	Y	Y	Y	Y	NA	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	NA	Y	Y
10	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	NA	Y	Y

P1	Business should conduct and govern themselves with Ethics, Transparency and Accountability
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
P3	Businesses should promote the well-being of all employees
P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
P5	Businesses should respect and promote human rights
P6	Businesses should respect, protect, and make efforts to restore the environment
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
P8	Businesses should support inclusive growth and equitable development
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

All the policies in Kamdhenu Limited are carved from its Guiding Principles and Core Values. These policies are mapped to each principle hereunder:

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability	Code of Conduct and Work Place Ethics	https://www.kamdhenulimited.com/Financial-Results/CODE-OF-CONDUCT-AND-WORK-PLACE-ETHICS.PDF
	Code of Conduct for Board Members & Senior Management Personnel	https://www.kamdhenulimited.com/Financial-Results/Code-of-Conduct-for-Senior-Management-Persinnel_Kamdhenu.pdf
	Code Of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information	https://www.kamdhenulimited.com/Financial-Results/Code-of-Practices-Procedures-for-Fair-Disclosure-of-UPSI_new.pdf
	Code of Conduct to Regulate, Monitor and Report, Trading by Insider	https://www.kamdhenulimited.com/Financial-Results/CODE-OF-CONDUCT-TO-REGULATE-MONITOR-AND-REPORT-TRADING-BY-INSIDERS.PDF



Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle	Environment, Health and Safety Policy.	https://www.kamdhenulimited.com/code-conduct.php
Principle 3: Businesses should promote the wellbeing of all employees	Code of Conduct & Internal HR Policies for Employees	Available internally with HR Department
Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized	Corporate Social Responsibility Policy	https://www.kamdhenulimited.com/Financial-Results/CORPORATE-SOCIAL-RESPONSIBILITY-POLICY.PDF
Principle 5: Businesses should respect and promote human rights	Policy on Sexual Harassment of Employees	https://www.kamdhenulimited.com/Financial-Results/Sexual-harrassment%20policy_kamdhenu.pdf
	Whistle Blower Policy & Vigil Mechanism	https://www.kamdhenulimited.com/Financial-Results/Whistle-Blower-Policy_Kamdhenu.pdf
	Human Rights Protection Policy	https://www.kamdhenulimited.com/code-conduct.php
	Code of Conduct for Board Members & Senior Management Personnel	https://www.kamdhenulimited.com/Financial-Results/Code-of-Conduct-for-Senior-Management-Persinnel_Kamdhenu.pdf
Principle 6: Businesses should respect, protect and make efforts to restore the environment	Environment, Health and Safety Policy.	https://www.kamdhenulimited.com/code-conduct.php
Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner	NA	NA
Principle 8: Businesses should support inclusive growth and equitable development	Corporate Social Responsibility Policy	https://www.kamdhenulimited.com/Financial-Results/CORPORATE-SOCIAL-RESPONSIBILITY-POLICY.PDF
Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner	Code of Conduct and Work Place Ethics	https://www.kamdhenulimited.com/code-conduct.php

b. If answer to S. No. 1 against any principle, is 'No', please explain why. (Tick upto 2 options)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the principles	-	-	-	-	-	-	-	-	-
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
3	The Company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4	It is planned to be done within next six months	-	-	-	-	-	-	-	-	-
5	It is planned to be done within the next one year	-	-	-	-	-	-	-	-	-
6	Any other reason (please specify)	-	-	-	-	-	-	*	-	-

* The Company operate within a specified national legislative and policy framework that guide their growth and also provides specific restrictions and boundaries. Therefore, the Company does not have a separate policy on "policy advocacy".

GOVERNANCE RELATED TO BR:-

a. Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

The Board of Directors of the Company assess the BR performance of the Company on annual basis.

b. Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The BR report is published on annual basis. The BR report for FY 2020-21 may be accessed through the Company's website link <https://www.kamdhenulimited.com/annual-report.php>.

of transparency and accountability. Across the organization, we strive to ensure highest levels of adherence to these principles through our policies like Code of Conduct and Work Place Ethics, Code of Conduct for Board Members and Senior Management Personnel, Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information etc. The Company's practice of making timely, accurate and complete disclosure of relevant information has not only enabled it to gain trust of its stakeholders' but also foster a culture promoting ethics and integrity.

The Company has also implemented a whistle blower mechanism/vigil mechanism, which is being governed by the Audit Committee of the Board of Directors of the Company. The policy covers instances pertaining to negligence, impacting public health and safety, criminal offence and unethical/favoured/biased behaviour, among others. The policy encourages employees to report any violations to the Chief Financial Officer/ Company Secretary and Compliance Officer without any fear and provides them with protection. The Company has placed mechanisms for ensuring confidentiality and protecting the whistle blower from any harassment/victimization. The policy is directly monitored by the Chairman of the Audit Committee.

The Code of Conduct which covers acts such as deception, bribery, forgery, extortion and corruption are applicable to any irregularity involving employees as well as vendors, contractors, customers, and/or any other entities having a business relationship with the Company. Adequate measures have been taken to

SECTION E:

PRINCIPLE-WISE PERFORMANCE:

PRINCIPLE 1:

BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs /Others?

The Company has built trust with its stakeholders by committing to adhere to compliance, disclosure, responsible and ethical business conduct. Our sustainability approach is based on the principles



educate employees and suppliers on the Company's expectation on ethical conduct.

The Company has adopted and implemented various policies and codes thereby setting the foundation for good corporate governance at the core of all its business transactions and processes. The Company has put in place a robust system of compliance in the organization with the help of its people and technology. A well-organized compliance management system which enables the Company's employees to know about the compliance requirements related to their respective areas, report the status of compliances and seek clarity on legal provisions, has been set up.

The Company is cognizant of its responsibility towards protecting and maintaining the confidentiality and disclosure of Price Sensitive Information in accordance with the Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. In this regard, the Company has developed its Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information which not only confirms to the regulatory requirements but also instills a sense of responsibility among the designated persons for protecting and maintaining confidentiality. With a view to implement the Code in its true spirit and to ensure full adherence by the designated persons, the Company has automated the process of obtaining disclosures and sanctioning pre-clearance applications for trades by designated persons under the Code of Conduct to Regulate, Monitor and Report Trading by Insiders. The Company has implemented the Fintraks software provided by our RTA the System not only acts as a repository of relevant information but also provides an electronic platform for submission of statutory declarations by the designated persons, seeking trading approvals and sending out timely compliance reminders.

2. How many stakeholder complaints have been received in the past financial year, and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

During FY 2020 -21, 3 shareholders complaints were received by the Company. All these 3 were duly resolved and thus, no complaint is pending as on 31st March, 2021.

The Company did not have any significant external stakeholder complaint in the last financial year.

PRINCIPLE 2:

BUSINESSES SHOULD PROVIDE GOODS AND SERVICES THAT ARE SAFE AND CONTRIBUTE TO SUSTAINABILITY THROUGHOUT THEIR LIFE CYCLE

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

(a) KAMDHENU TMT BARS: This high-quality bar is manufactured using the most advanced technology called 'Thermo Mechanical Treatment' - a 4% less weight per meter than the normal TMT bars, making it more economical. The process involves rapid quenching of the hot bars through a series of water jets after they roll out of the last mill stand. The bars are cooled, letting the core and surface temperatures to balance. The bar core cools down slowly to turn into a ferrlite-pearlite aggregate.

(b) KAMDHENU PAS 10000: Kamdhenu is the first Company to introduce PAS 10000, a state-of-the-art power alloy steel product. It is BIS and international quality standards-compliant product. Usage of alloy in it makes it very distinctive compared to normal mild steel TMT bar. The load-bearing capacity of PAS 10,000 is 28% higher as compared to normal steel. This results in 5% more life than normal TMT. It is further supported by the 360-degree locking technology which gives it optimum stability.

(c) PAINTS: Kamo Hi-Sheen ultra luxury premium quality interior 100% acrylic latex paint with high sheen, high scrub resistance, best washability, superior adhesion & stain resistance and having sweet smell. It is formulated with ultra premium ingredients using advance technology to provide unmatched, durability, coverage and adhesion.

Kamodual Luxury Emulsion is an elastomeric, super protective 100% acrylic latex paint. It is water resistant and protects the exterior & interior walls from dampness, algae and fungal caused by lashing rain.

Kamo shield is a heavy-duty paint specially developed to withstand rigorous weather condition and offers excellent resistance to chalking, cracking and weathering in comparison to cement paint.

Kamo Power is a water based emulsion that effectively protects the walls from extreme weather conditions, which with extra silicone provide an extra excellent durability to the walls. This, not only reduces the environmental impact, but also attributing.

2. For each such product, provide the following details in respect of resource use (energy, water and raw material, among others) per unit of product (optional).

For producing 1 tonne of TMT Bars, the Company consumes 1.02 tonne of Ingots.

For producing 1 liter of Paint, the Company consumes 1 liter alkyllic.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

The Company maintains a healthy relationship with its vendors/suppliers. The Company has in place a system of vendor selection which, besides a host of other factors, also lays emphasis on technical, financial, infrastructural capability and ethical practices of the vendor.

4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

The Company strives to procure goods and services from local supply chain partners which may include large, midsize or small scale industries who meets our quality, cost and technological expectations. Further, while hiring manpower for its plants, offices, preference is given to eligible local candidates.

5. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

Kamdhenu Steel Plant and Franchisee Units have been striving to enhance the utilization of different solid wastes like sponge iron and slag through application of the principle of 4 R's (Reduce, Recover, Recycle and Reuse).

The Company has been procuring papers that contain 100% recycled content. The Company also uses board cartons (secondary packaging) to pack small sized paint containers.

PRINCIPLE 3:

BUSINESSES SHOULD PROMOTE THE WELL BEING OF ALL EMPLOYEES

1.	Please indicate the Total number of employees in Kamdhenu Limited.	859
2.	Please indicate the total no. of employees hired on temporary/contractual/casual basis.	286
3.	Please indicate the Number of permanent women employees.	23
4.	Please indicate the Number of permanent employees with disabilities.	N.A.
5.	Do you have an employee association that is recognized by Management?	N.A.
6.	What percentage of your permanent employees is members of this recognized employee association?	N.A.

1. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending as on the end of the financial year.

Sr. No.	Category	No. of complaints filed during FY 2020-21	No. of complaints pending at the end of FY 2020-21
1.	Child labour/ forced/ involuntary labour	No	N.A
2.	Sexual Harassment	No	N.A
3.	Discriminatory Employment	No	N.A

2. What percentage of your under-mentioned employees were given safety and skill up-gradation training in the last year?

- Permanent Employees: Training is given at Factory.
- Permanent Women Employees: Training is given at Factory.



- c) Casual/Temporary/Contractual Employees: Responsibility delegated to respective contractor.
- d) Employees with Disabilities: There is no such employee.

PRINCIPLE 4:

BUSINESSES SHOULD RESPECT THE INTERESTS OF, AND BE RESPONSIVE TOWARDS ALL STAKEHOLDERS, ESPECIALLY THOSE WHO ARE DISADVANTAGED, VULNERABLE AND MARGINALIZED

1. **Has the Company mapped its internal and external stakeholders? Yes/No**

Yes.

2. **Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized stakeholders?**

There has never been any discrimination in facilitation or extending benefits to stakeholders.

3. **Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.**

At Kamdhenu Limited, we build lasting bonds with all our stakeholders, internal and external, through meaningful deliberations. The Company has identified stakeholders who are directly and indirectly affected by its operations and have developed targeted engagement mechanisms for each of them. The Company from time to time has implemented various initiatives for socio-economically disadvantaged sections of the society. The projects contributing to betterment of disadvantaged, vulnerable and marginalized stakeholders are:

- a) Providing education to economically/physically challenged;
- b) Providing medical treatment including diagnosis and medicines at a very nominal cost to economically deprived.

PRINCIPLE 5:

BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

1. **Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?**

Human Rights Policy of the Company applicable on the Company only.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

No complaints received from the stakeholders related to human rights during FY 2020-21.

PRINCIPLE 6:

BUSINESS SHOULD RESPECT, PROTECT, AND MAKE EFFORTS TO RESTORE THE ENVIRONMENT

1. **Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others?**

The Policy covers only the Company. However, the Company shall support its value chain and subsidiary Companies to adopt this principle.

2. **Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc?**

The Company doesn't have any specific program or initiatives to address such issue. However, during the course of business, it undertakes various steps like replaced conventional lighting with LED for energy saving, 100% IT data centre virtualization to reduce cost and carbon footprint and recycling of RO waste water.

3. **Does the Company identify and assess potential environmental risk? Y/N.**

No.

4. **Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?**

No.

5. **Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy etc.? If yes, please give hyperlink for web page etc.**

No.

6. **Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

The emissions generated during the financial year by the Company were within the permissible limits prescribed by the regulatory authorities. No limits on

generation of waste from the plants are prescribed by the regulatory authorities.

7. Number of show cause/ legal notices received from CPCB/SPCB, which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

No show cause or legal notice received from CPCB or SPCB is pending as on end of FY 2020-21.

PRINCIPLE 7:

BUSINESSES, WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A RESPONSIBLE MANNER

1. Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

No.

2. Have you advocated / lobbied through above associations for the advancement or improvement of public good? Yes / No; if yes, specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy Security, Water, Food Security, Sustainable Business Principles, Others)

No.

PRINCIPLE 8:

BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

1. Does the Company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8? If yes, details thereof.

The Company is a socially responsible organization with focus on integrating our business model with the program for serving the community where we operate. In principle, we believe that we can achieve our growth in responsible manner and also address the needs of the community. Our focus is to extend our support for the sustainable development of the community especially those who are below poverty line in the country. Kamdhenu Jeevandhara Foundation, is the CSR arm of Kamdhenu Limited, wherein we envision building a educated and healthy nation by providing education and improving lives of the community through high quality and preventive healthcare initiatives. The CSR vision and mission of the foundation lays down principles to carry out CSR activities directed towards the underprivileged section of our society, area of

education, training, vocational education, Public Health and Skill Development.

The Company has a Corporate Social Responsibility Policy("CSR Policy"), which can be accessed at our website at <https://www.kamdhenulimited.com/code-conduct.php>.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organization?

Kamdhenu Jeevandhara Foundation, wholly owned subsidiary of the Company, has managed all the CSR projects. Two major projects are implemented directly by Kamdhenu Jeevandhara Foundation through its own team while rest of the projects are implemented by NGOs partners under close supervision of the Foundation.

3. Have you done any impact assessment of your initiative?

No, the initiatives undertaken are reviewed by the CSR Committee, constituted by the Board. The CSR operation team ensures proper and frequent monitoring of all the projects.

4. What is your Company's direct contribution to community development projects-Amount in and the details of the projects undertaken.

Please refer to the "Annual Report on CSR Activities" attached as annexure to the Director's Report, forming part of the Annual Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

The Company undertakes its CSR activities after assessing the needs of the location and the community. It involves the respective Government departments, various stakeholders and community at large in different programmes to ensure that needs of the community are met at large.

PRINCIPLE 9:

BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CUSTOMERS AND CONSUMERS IN A RESPONSIBLE MANNER

1. What percentage of customer complaints/consumer cases are pending as on the end of Financial Year?

There are no material consumer cases/customer complaints outstanding as on the end of Financial Year.



2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes / No / N.A. / Remarks (additional information)

Kamdhenu's products do not have any mandatory labeling requirements. However, in order to convey useful information to customers, Kamdhenu's products bear information labels providing details about specifications, sizes and quality of the respective products. Against every sale, customers are provided with test certificates issued by certified third parties that contain quality parameters, as well as the chemical and physical properties of the product. The above information is also available in product brochures that are given to customers.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.

No such case has been filed by stakeholders against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years. Therefore, no such cases remain pending as on the end of FY 2020-21.

4. Did your Company carry out any consumer survey/ consumer satisfaction trends?

No.

**BY ORDER OF THE BOARD OF DIRECTORS OF
KAMDHENU LIMITED**

Satish Kumar Agarwal

Chairman & Managing Director
DIN: 00005981

Sunil Kumar Agarwal

Whole Time Director
DIN: 00005973

Date: 21st June, 2021

Place: Gurgaon

ANNEXURE-VI

MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMIC LANDSCAPE

Global Economy

The April 2021 edition of the International Monetary Fund's **'World Economic Outlook Update'** has projected the global economy to grow at 6% in 2021, moderating to 4.4 % in 2022. The contraction for 2020 is 1.1 percentage points smaller than projected in the October 2020 World Economic Outlook (WEO), reflecting the higher-than-expected growth outturns in the second half of the year for most regions after lockdowns were eased and as economies adapted to new ways of working.

The projections for 2021 and 2022 are 0.8 percentage point and 0.2 percentage point stronger than in the October 2020 WEO, reflecting additional fiscal support in a few large economies and the anticipated vaccine-powered recovery in the second half of the year. Global growth is expected to moderate to 3.3 % over the medium term—reflecting projected damage to supply potential and forces that predate the pandemic, including aging-related slower labor force growth in advanced economies and some emerging market economies. Thanks to unprecedented policy response, the COVID-19 recession is likely to leave smaller scars than the 2008 global financial crisis. However, emerging market economies and low-income developing countries have been hit harder and are expected to suffer more significant medium-term losses.

Indian Economy

The Reserve Bank of India believes that impact of the brutal second wave of Covid-19 in the country on the economy to be transient. It has projected growth in FY 2021-22 at 9.5%, down from its previous forecast of 10.5%. It expects growth in the four quarters of the year to be 18.5%, 7.9%, 7.2% and 6.6%. Its previous estimate was 26.2%, 8.3%, 5.4% and 6.2%. Put otherwise, the biggest hit to GDP is expected to be in the April-June quarter and the economy is expected to perform better than expected in the second half of the year. The Indian economy contracted by 7.3% in FY 2020-21, better than the expectation of a 8% contraction on the back of a strong recovery in January and February, but the surging second wave halted that in its tracks.

Monetary Policy Committee's projections are in keeping with the views of chief economic adviser, Krishnamurthy Subramanian, who said that India's economic recovery will start from July onwards and the ongoing vaccination drive can lessen the impact of the pandemic. That's the

consensus view among banks and securities firms too; a Bloomberg poll last week came up with a median estimate of 10%, lower than a previous median estimate of 10.5%.

The GDP in the first half of FY 2021-22 will be ₹ 3.8 lakh crore less than what it was in FY 2019-20. The first quarter GDP numbers for FY 2021-22 have seen the sharpest downward revision between RBI's April and June projections; from ₹ 34 lakh crore to ₹ 31.2 lakh crore. The September quarter will see a marginal reduction from ₹ 35.7 lakh crore to ₹ 35.6 lakh crore. For the December and March quarters, the latest GDP projections are ₹ 0.7 and ₹ 1.3 lakh crore higher than what they were in April.

Source: <https://www.hindustantimes.com/business/rbi-cuts-2021-22-gdp-growth-forecast-to-95-101622833373551.html>.

RECENT DEVELOPMENTS IN INDIA

With an improvement in the economic scenario, there have been investments across various sectors of the economy. In 2020, the total deal value in India stood at ~US\$ 80 billion across 1,268 transactions. Of this, M&A activity contributed ~50% to the total transaction value. Private Equity - Venture Capital (PE-VC) sector recorded investments worth US\$ 47.6 billion across 921 deals in 2020. Some of the important recent developments in Indian economy are as follows:

- India's overall exports from April 2020 to February 2021 were estimated at US\$ 439.64 billion, (a 10.14% decrease over the same period last year). Overall imports from April 2020 to February 2021 were estimated at US\$ 447.44 billion (a 20.83% decrease over the same period last year).
- According to IHS Markit, Purchasing Managers' Index (PMI) for manufacturing stood at 57.5 in February 2021.
- Gross tax revenue stood at ₹ 113,143 crore (US\$ 15.58 billion) in February 2021, up from ₹ 105,361 crore (US\$ 14.51 billion).
- Cumulative FDI equity inflows in India stood at US\$ 749.39 billion between April 2000 and December 2020.
- India's Index of Industrial Production (IIP) for January 2021 stood at 135.2, against 136.6 for December 2020.
- Consumer Food Price Index (CFPI) – combined inflation was 3.87% in February 2021, against 1.96% in January 2021.



- Consumer Price Index (CPI) – combined inflation was 5.03% in February 2021, against 4.06% in January 2021.

Government Initiatives

The first Union Budget of the third decade of 21st century was presented by Hon'ble Minister for Finance & Corporate Affairs, Smt. Nirmala Sitharaman in the Parliament on 1st February, 2020. The budget aimed at energising the Indian economy through a combination of short-term, medium-term and long-term measures.

In the Union Budget FY 2021-22, capital expenditure for FY22 is likely to increase by 34.5% at ₹ 5.5 lakh crore (US\$ 75.81 billion) over FY21 (BE) to boost the economy.

Increased government expenditure is expected to attract private investments, with production-linked incentive scheme providing excellent opportunities. Consistently proactive, graded and measured policy support is anticipated to boost the Indian economy.

- In March 2020, the Union Cabinet approved the revised cost estimate (RCE) of the comprehensive scheme for strengthening of transmission & distribution in Arunachal Pradesh and Sikkim at an estimated cost of ₹ 9,129.32 crore (US\$ 1.26 billion) to support the economic growth in those by strengthening the intrastate transmission and distribution systems.
- In March 2021, India and Kuwait decided to establish a joint ministerial commission to strengthen ties in sectors such as energy, trade, investment, manpower & labour and IT. According to a joint statement, the commission will be focused on developing the best platform to strengthen alliance in areas of energy, trade, economy, investment, human resources, manpower and labour, finance, culture, information technology, health, education, defence and security.

Road Ahead

India recorded the real GDP (gross domestic product) growth of 0.4% in the third quarter of FY21, as per the NSO's (National Statistical Office) second advance estimates. This rise indicates V-shaped recovery progression that started in the second quarter of FY21.

As per Economic Survey FY 2020-21, India's real GDP growth for FY 2021-22 is projected at 11%. The January 2021 WEO update forecast a 11.5% increase in FY 2021-22 and a 6.8% rise in FY 2022-23. According to the IMF, in the next two years, India is also expected to emerge as the fastest-growing economy.

India is expected to be the third largest consumer economy as its consumption may triple to US\$ 4 trillion by 2025, owing to shift in consumer behaviour and expenditure pattern, according to a Boston Consulting Group (BCG) report. It is estimated to surpass USA to become the second largest economy in terms of purchasing power parity (PPP) by 2040 as per a report by PricewaterhouseCoopers.

COMPANY OVERVIEW

The past two decades have witnessed Kamdhenu Limited starting from the scratch to make an indelible presence in the home building materials segment. The Company has made a name for itself by consistently supplying the best quality building materials to real estate and infrastructure developers and individual home builders across the country. The product categories include TMT Bars, Structural Steel, and Colour-Coated Sheets. In 2008, the Company forayed into decorative paints business. The success it achieved is evident in the paint segment's returns, made over the years. In 2013, Kamdhenu launched SS 10000 TMT Bar, a premium product with double rib, double strength and double safety suitable for the highly seismic zone. Kamdhenu is known for its strict adherence to quality benchmarking process in-tandem with the international best practices. Along with the intent to deliver the best, the strong Pan-India presence has helped the Company in commanding a superior brand value for its steel and paints products. Figures from reports could speak volumes about the achievement. But one tops all, Kamdhenu TMT Bar is now the largest selling brand in retail segment in India.

Our Success Drivers

- Mix of own manufacturing and franchisee-based model, leading to improved efficiency and higher ROE, ROCE and margins;
- Rapidly growing decorative paints sector through strong customer understanding and expertise developed over the years;
- Quick delivery through Pan-India franchise, dealer and distribution network;
- Strong R&D to deliver innovative products across segments;
- Extensive product range in the decorative paint segment from premium to regular to niche product with high potential;
- Strong brand image derived out of excellent quality and valued customer service;

FINANCIAL PERFORMANCE REVIEW

1. Financial highlights of the Company

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20
Revenue from Operations	62,522.13	92,379.23	62,522.13	92,379.23
Other Income	349.38	64.43	349.38	64.43
Total Revenue	62,871.51	92,443.66	62,871.51	92,443.66
Total Expenses	59,772.17	89,969.57	59,773.68	89,970.53
Profit before Exceptional Items and Tax	3,099.34	2,474.09	3,097.83	2,473.13
Total Tax Expenses	586.86	(233.10)	586.84	(233.10)
Profit for the Year	1,509.11	188.25	1,507.62	187.29
Total Comprehensive Income for the Year	1,503.36	197.34	1,501.87	196.38
Paid up Capital (in ₹)	2,693.55	2,654.33	2,693.55	2,654.33
Earnings per Share of face value of ₹ 10				
Each Basic(In ₹)	5.62	0.71	5.62	0.71
Diluted(In ₹)	5.62	0.70	5.62	0.70

2. Operating Results and Business Operations and State of Affairs of the Company on Standalone Basis

The Annual Audited Financial Statements for the year have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind-AS) prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable. Necessary disclosures as regards to the key impact areas & other adjustments upon transition to Ind-AS reporting have been made under the Notes to Financial Statements.

Your Company's revenue from operations reached ₹ 62,522.13 Lakhs during the year under review as against ₹ 92,379.23 Lakhs during the previous Financial Year, a decline of around 32% y-o-y. The total income declined around 32% from ₹ 92,443.66 Lakhs in FY 2019-20 to ₹ 62,871.51 Lakhs in FY 2020-21.

Decline in revenue of the Company in FY 2020-21 is due to substantial fall in trading sales during the year under review compared to FY 2019-20. This was the strategy of the Company to focus on high margin business, shifting eyes on own manufacturing capabilities, emphasis on asset light model of business, developments and innovation of newer products for ensuring consistent growth, consequently achieving better working capital management, improved return ratios and ensuring growth in market share of the Company. Specific other factors behind decline in the

revenue are economic recession; fall in steel prices and stiff Competition, outbreak of COVID-19 with other factors out of control of the management of the Company.

However the Company performed well in its core area, i.e. franchisee business model. But overall royalty income of the Company decreased from ₹ 9,677.32 Lakhs in FY 2019-20 to ₹ 8,792.21 Lakhs in FY 2020-21 registering a decline of 9.15%. During the Financial Year the royalty income decreased due to nationwide lockdown imposed in the country against the fight with COVID-19. The Company also faced the challenges of shifting its strategy with conviction to ensure growth in future.

The total expenses in FY 2020-21 decreased by around 33.56% to ₹ 59,772.17. Lakhs as compared to ₹ 89,969.57 Lakhs in FY 2019-20.

Profit before Exceptional Items and Tax recorded at ₹ 3,099.34 Lakhs in FY 2020-21 compared to ₹ 2,474.09 Lakhs in FY 2019-20. Profit for the Year recorded at ₹ 1,509.11 Lakhs in FY 2020-21 compared to ₹ 188.25 Lakhs in FY 2019-20.

Basic Earnings per Share(EPS) reached ₹ 5.62/- compared to ₹ 0.71/- in the previous year.

It may be noted that the Company has maintained the track record of payment of dividend despite inadequate current profits, but out of retained earnings with a hope to have more distributable profits in time to come.



Followings are the performance parameters of the Consolidated financial statement of the Company.

(₹ in Lakhs)

Particulars	FY 2020-21	FY 2019-20
Revenue from Operations	62,522.13	92,379.23
Other Income	349.38	64.43
Total Revenue	62,871.51	92,443.66
Total Expenses	59,773.68	89,970.53
Profit before Exceptional Items and Tax	3,097.83	2,473.13
Total Tax Expenses	586.84	(233.10)
Profit for the Year	1,507.62	187.29
Total Comprehensive Income for the Year	1,501.87	196.38

The Company considers its business segments as the primary segments to monitor the performance of each of its business segments on regular basis and therefore these have been considered as reportable segments under Ind-AS 108 on Segment Reporting. The reportable Segments represent "Steel" and "Paints". The financial numbers given below for each of the business segments are as per Ind-AS.

Segmentwise Revenue, Results, Assets and Liabilities

(₹ in Lakhs)

Particulars		Standalone		Consolidated	
		Year Ended 31st March, 2021	Year Ended 31st March, 2020	Year Ended 31st March, 2021	Year Ended 31st March, 2020
A.	Segment Revenue				
	- Steel	42,314.94	73,349.48	42,314.94	73,349.48
	- Paints	20,207.19	19,029.75	20,207.19	19,029.75
	Gross Revenue from Operations	62,522.13	92,379.23	62,522.13	92,379.23
B.	Segment Results				
	- Steel	5,795.66	2,810.83	5,795.66	2,810.83
	- Paints	(1,492.42)	(479.84)	(1,492.42)	(479.84)
	Profit/(Loss) before finance cost, Tax & unallocable items	4,303.23	2,330.99	4,303.23	2,330.99
	Less: Finance cost	1,358.83	1,190.19	1,358.83	1,190.19
	Less: Other Unallocable Expenditure net of Income	848.44	1,185.65	849.95	1,186.60
	Total Profit/(Loss) before Tax	2,095.97	(44.85)	2,094.46	(45.81)
C	Segment Assets				
	- Steel	20,763.20	22,305.59	20,763.20	22,305.59
	- Paints	21,044.03	22,845.86	21,044.03	22,845.86
	- Unallocable	1,305.86	1,253.52	1,305.84	1,254.24
	Total Segment Assets	43,113.09	46,404.97	43,113.07	46,405.69
D	Segment Liabilities				
	- Steel	7,318.41	10,257.86	7,318.41	10,257.86
	- Paints	15,774.90	17,516.50	15,774.90	17,516.50
	- Unallocable	542.09	560.83	544.52	562.50
	Total Segment Liabilities	23,635.40	28,335.19	23,637.83	28,336.86

Segment-wise Performance

Our persistent efforts over the last 25 years made us a force to have faith in. Effective operation management and asset-light franchisee model give us a competitive edge over our peers, but it is not the time to get complacent. We have taken a pledge to take this endeavour forward. In the future, we are planning to introduce new products, doing business with more franchisee and dealers and increasing margin.

Steel

This year our steel business contributed 68% to the revenue. The total revenue decreased from ₹ 73,349.48 Lakhs in FY 2019-20 to ₹ 42,314.94 Lakhs in FY 2020-21.

Revenue of the steel division was effected mainly due to shifting of the Company's focus on manufacturing and branding with emphasish on adequate margin business where the Company performed satisfactorily.

Though temporary effect was faced on the top line, but it will have enduring effect in future performance of the Company, both on top line and buttom line.

Profit (before interest, tax, and unallocable items) from steel division increased by 106% as compared to the previous year, reaching ₹ 5,795.66 Lakhs during FY 2020-21 from ₹ 2,810.83 Lakhs in FY 2019-20.

Paints

The paint division at Kamdhenu strategically built its brands over the years and made a good name for itself in the segment. It contributed 32% to the revenue of the business. The revenue of the business increased from ₹ 19,029.75 Lakhs in FY 2019-20 to ₹ 20,207.19 Lakhs in the current Financial Year recording a increase of 6%.

Loss (before interest, tax, and unallocable items) of the paint division of the Company increased to ₹ 1,492.42 Lakhs in FY 2020-21 compared to loss of ₹ 479.84 lakhs in FY 2019-20.

Details of significant changes in Key Financial ratios

SI no.	Ratios	FY 2020-21	FY 2019-20	Change(%)
1	Trade Receivable Period (In Days)	116	84	38.10
2	Inventories Holding Period (In Days)	57	40	42.50
3	Interest Coverage Ratio	2.54	0.96	164.20
4	Current Ratio	1.52	1.39	9.77
5	Debt Equity Ratio	0.48	0.65	26.32
6	Operating Profit Margin (%)	5.53	1.24	345.69
7	Net Profit Margin (%)	2.41	0.20	1084.49
8	Return on Net Worth (%)	7.75	1.04	643.71

Trade Receivable Period

The trade receivable period increased from 84 days in FY 2019-20 to 116 days in FY 2020-21 which indicates more time taken to realize trade receivables and more credit sales. In the time of economic recession and stiff competition, the Company had liberal credit policy to sustain in the market and maintain the turnover at satisfactory level.

Inventories Holding Period

Inventories Holding Period increased from 40 days in FY 2019-20 to 57 days in FY 2020-21 resulting a growth of 42.50% which is due to mainainance of sufficient stock level and adopting conservative approach to sustain in the situation of stiff competition and maintain the production level to reduce cost of production on economis of scale.

Interest Coverage Ratio

Interest Coverage Ratio increased from 0.96 in FY 2019-20 to 2.54 in FY 2020-21 showing a upward trend of 164.20% which is due to increase in Earning before Interest and Tax (EBIT),.

Current Ratio

Current Ratio Increased to 1.52 in FY 2020-21 from 1.39 in FY 2019-20 which is due to combined effect of fall of Current liabilities as well as Current assets level but current liabilities are fallen proportionately more as compared to current assets showing a increase of 9.77 % in the current ratio.

Debt Equity Ratio

Debt Equity Ratio reached 0.48 in FY 2020-21 compared to 0.65 in FY 2019-20 which decreased by 26.32 % and this is decreased primarily on account of prepayment and repayment of borrowings during the year.

Operating Profit Margin

Operating Profit Margin increased by 345.69% from 1.24% in FY 2019-20 to 5.53% in FY 2020-21 which is due to increase in the revenue and decrease in expenses of the Company.

Net Profit Margin

Net Profit Margin increased by 1084.49% from 0.20% in FY 2019-20 to 2.41% in FY 2020-21 which was due to the reasons as mentioned above in case of Operating Profit Margin.

Return on Net Worth

Return on Net Worth increased by 643.71% to 7.75% in FY 2020-21 from 1.04% in FY 2019-20. Again this

increase was due to substantial increase in margin because of reasons cited above.

INDUSTRY STRUCTURE AND DEVELOPMENT

Steel Industry

The global steel industry was fortunate to end 2020 with only a minor contraction in steel demand despite the influence of the pandemic, through its different regional impacts. Steel use in China expanded while it contracted in the rest of the world. We look forward to normalization in demand during 2021, owing to steady progress on vaccines and changed behaviour in the global society.

The pandemic has accelerated some key trends, which will bring about shifts in steel demand. The steel industry will see exciting opportunities from rapid developments through digitization and automation, infrastructure initiatives, reorganization of urban centres and energy transformation.' World crude steel production for the 64 countries reporting to the World Steel Association (worldsteel) was 169.5 million tonnes (Mt) in April 2021, a 23.3% increase compared to April 2020.

Over the last 6 months, the demand for steel by all the end-user segments has grown more than what was anticipated and this was primarily bolstered by the massive stimulus measures undertaken or announced by the US, EU, UK, Japan, China and now India. The ability of the advanced countries to enhance market borrowing as a percentage of GDP exceeds that of the emerging economies due to the prevailing low interest rate which still needs a long time to be achieved by India.

The total steel consumption in the country in Financial Year ended on 31st March, 2021 was around 95-97 million tonnes of steel which is nearly 5 % lower than the previous year. Apart from construction and infra sectors (68 % share), engineering goods and fabrication comprises around 20 % share of steel use, while automobile and packaging have shares of 9 and 3 % respectively of total steel demand.

The demand from the C&I sector is slated to go up substantially with more investment in Infra, stability in the real estate sector, FERA amendment etc, the demand from the Auto and Auto component sector may witness a consolidation stage in FY 2021-22 with the thrust towards EV, Petrol and diesel price hike and export opportunities.

A V-shaped recovery has been projected for Indian GDP (8.8 % by IMF in October 2020, 5.4 % by World Bank in January 2021 and 12.6 % by OECD in March 2021) for FY 2021-22. A 12-15 % rise in steel consumption in FY 2021-22 is the minimum that can be projected for India.

It was gratifying to note that in FY 2021-22 the budget has announced a capital investment target of ₹ 5.4 lakh Crores that is more than a 34 % increase compared to BE FY 2020-21. This fund for investment is primarily meant for the Infra sector (Roads, Railways for new lines, doubling of lines, gauge conversion, High-speed rails, Metros in 27 locations, ports, airports, transportation of Oil, Gas and Water, irrigation etc), affordable housing, food storage facilities, the energy sector as part of National Infrastructure Pipeline (NIP) Programme for 7,400 projects (ongoing, incoming and conceptualized).

(Source: Steel sector outlook in FY 2021-22: India and beyond by CNBC dated 17th April, 2021)

Paints Industry

The Indian paint industry has been witnessing a gradual shift in the preferences of people from the traditional whitewash to high-quality paints like emulsions and enamel paints, which is providing the basic stability for growth of Indian paint industry. Besides, it is creating a strong competitive market, where players are utilizing different strategies to tap the growing demand in the market for a larger share.

Moreover, rise in disposable income of the average middle class coupled with increasing investment on education, urbanization, development of the rural market and various launches of many innovative products, like friendly, odour free, and dust & water-resistant paints, are major drivers that are propelling the growth of the paint market in India.

Outlook

The domestic paint industry has grown at a rate of 10.4% from FY08, when the market was valued at ₹ 159bn, to FY 2019-20, when the market size reached ~₹520bn. Over the years, the decorative paint segment (market share of ~75-80%) has grown at a CAGR of 11.4% against the industrial segment (market share of ~20-25%), which has grown at a CAGR of 7.9%.

(Source: Nirmal Bang Report, 1st September, 2020)

Risks and Concerns

Risks include both short-term and long-term perspective. They can be segmented into industry and market risks, commercial risks, operational risks, and compliance risks. Kamdhenu's risk management principles apply universally across business verticals. Each operational unit is given the onus of owning and managing its risks mitigation measurements. Decisions are made or escalated according to a defined delegation of authority.

Risks are dealt with through strategies, annual planning, target setting, continuous monitoring with monthly and quarterly meetings, and during operational processes.

Industry Risk

Implication:

Downturn in the end-used industry could impact turnover and profitability.

Mitigation measures:

At Kamdhenu, we are strategically placed to leverage opportunities rising out of the real estate and infrastructural segment. Our strong brand repute, combined with the high quality of the product, makes us a preferred supplier for the above-mentioned industries.

Competition Risk

Implication:

Increasing competitive pressure may impact the Company's market share and overall profitability.

Mitigation measures:

The Company initiated effective business model, quality, services and increased its focus on research and development to counter competition. It allows the Company to build a strong mind-share amongst its stakeholders leading to managing consistent market share.

Finance and Credit Risk

Implication:

Increasing finance cost and inability to pay off debt obligations in time may impact Company's credit worthiness.

Mitigation measures:

Effective management of financial resources helped Kamdhenu in consistently maintaining lower debt-



equity ratio over the years. Internal accruals have always been the major contributor to the expansion funding, leading to lower borrowings and controlled credit risks. Besides, operating a franchise-based model eases out costs of owning assets.

Capacity Risk

Implication:

Inability to produce and deliver the desired volumes, owing to lack in capacity, may adversely impact the Company's brand image.

Mitigation measures:

The Company has effectively built an asset-light model by appointing franchises across the country. The Company reviews production capacities of the franchisee, along with the desired skill sets to ensure optimum outcome from each unit. This leads to timely availability of end products for its customers across the length and breadth of the country.

Input Risk

Implication:

Fluctuating raw material prices or unavailability of key inputs may hamper the overall operations of the Company, leading to delays and cost inflation.

Mitigation measures:

Ingot/Billet is the main raw material needed for TMT bars. They are sourced on spot-basis to hedge against the price fluctuation. The natural price rise of raw materials is passed on to the customers. For paint segment, petroleum/ alkyd resin/titanium dioxide prices are dependent on the international crude oil prices. To tackle this, the Company is shifting its focus towards water-based paint which is sustainable in nature.

Supply Risk

Implication:

Inefficient supply management, logistics, and distribution may lead to delay in the delivery of end products to the customers, adversely impacting the Company's brand image.

Mitigation measures:

The Company has built strong supply chain management, right from the procurement of best quality raw material to efficient production process to strong distribution network, spread across India, close to their customer.

Reputational Risk

Implication:

Any sub-standard product manufactured by the franchisee unit can affect the Company's brand. Besides, poor quality or customer service may impact future business opportunities.

Mitigation measures:

As a countermeasure, the Company sets stringent quality parameters and technical specifications which needs to be adhered by franchisee units. All the employees are trained at the Company's manufacturing plant before being deployed at the franchisee unit.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES AND INDUSTRIAL RELATIONS FRONT

At Kamdhenu, we believe in preeminent staffing, captivating retention, effective training and staff growth for the customers during the year. We focus on creating value for our employees by providing a stress-free environment and fostering continuous improvement and development. This enabled several employees in realising their career aspirations during the year. The constructive strategies, abided by us, helped in attracting the best external talents and promote internal talents to higher roles and responsibilities.

Our employees drive the Company ahead in an ever-changing competitive scenario. That is why we believe in nurturing our employees through various initiative taken by leveraging technology and by organising workshops to enhance their potential and making them capable of realising their goals. The industrial relations of Kamdhenu Limited remained harmonious and peaceful during the year. As on 31st March, 2021, we had 859 employees.

Disclosure of Accounting Treatment

In the preparation of financial statements, no accounting treatment other than the prescribed Indian Accounting Standard was followed.

Internal Control System and its Adequacy

The core components of the Company principles are legal and ethical business. Kamdhenu Limited has a comprehensive internal control system, equipped with qualified and experienced personnel in various departments such as Accounts, Finance, Administration, Corporate affairs and Technical, ensuring the adequacy and efficiency of the various operations.

The workflow has been kept transparent as much as possible. We believe in bringing in clarity to simplify operations. The entire mechanism is created and operated under the vision and guidance of the Audit Committee and Board of Directors. It enables the entire process to become independent, objective and achieve reasonable mechanism, ensuring the adequacy and effectiveness of the Company's risk management, governance processes, and control. The Internal Control Systems enable quality of management and smooth corporate functioning within the Company. Each transaction is duly authorized, recorded and reported.

Further, the Company has properly defined delegation of power with authority limits for approving revenue as well as capital expenditure. Processes for making and reviewing the annual and long-term business plans have been laid down. The Internal audit is carried out in consultation with the Statutory Auditors and the Audit Committee based on the internal audit plan, which is reviewed each year. The Internal Audit process is designed precisely to review the internal control checks in the system by covering all significant areas of the Company's operations such as Sales, Purchases, Inventory, Debtors, Creditors, Fixed Assets and legal compliance. The Company is not pursuing any conflicting transaction to avoid jeopardising of the

system. There are no materially significant financial and commercial transactions with related parties that could raise doubts against the interest of the Company during the financial year under review.

Cautionary Statement

The statement in the Directors' Report and Management Discussion and Analysis describing the Company's objectives, projections, estimates, and expectations may be, forward-looking statements' within the meaning, if applicable, of securities laws and regulations.

Although we believe that our expectations are based on reasonable assumptions, these forward-looking statements may be influenced by numerous risks and uncertainties. This could cause actual outcomes and results to be materially different from given or implied details. Important factors that could influence the Company's operations include economic developments within the country, demand and supply conditions in the industry, input prices, changes in government regulations, tax laws and other factors such as litigation and industrial relations. The Company is not responsible in respect of the forward-looking statements herein, which may undergo changes in the future based on subsequent development, information or events and holds no obligation to update these in the future.

**BY ORDER OF THE BOARD OF DIRECTORS OF
KAMDHENU LIMITED**

Date: 21st June, 2021
Place: Gurgaon

Satish Kumar Agarwal
Chairman & Managing Director
DIN: 00005981

Sunil Kumar Agarwal
Whole Time Director
DIN: 00005973



ANNEXURE-VII

FORM NO. AOC-1

Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures
(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)=

PART "A": SUBSIDIARIES

(Information in respect of each subsidiary to be presented with amounts in ₹)

SL No.	Name of the Company	Date since when subsidiary was acquired	Reporting currency	Exchange rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Total Investments	Turnover	Profit/surplus before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	Ownership(%)
1.	Kamdhenu Ventures Limited	21st Jan 2020	INR	NA	3,04,000	(162,171)	368,379	226,550	3,04,000	0	(75,274)	359	0	0	100
2.	Kamdhenu Colour and Coatings Limited	18th Jan 2020	INR	NA	3,04,000	(164,258)	157,442	17,700	0	0	(75,735)	606	0	0	100
3.	Kamdhenu Jeevandhara Foundation	3rd Feb 2021	INR	NA	1,00,000	23,24,783	24,42,483	17,700	0	0	(241,386)	0	0	0	100

Note: Part "B" is not applicable as the Company has no Associates and Joint Ventures.

BY ORDER OF THE BOARD OF DIRECTORS OF KAMDHENU LIMITED

Satish Kumar Agarwal
Chairman & Managing Director
DIN: 00005981

Sunil Kumar Agarwal
Whole Time Director
DIN: 00005973

Date: 21st June, 2021
Place: Gurgaon

ANNEXURE-VIII

PARTICULARS OF REMUNERATION

Part A: Information pursuant to Section 197(12) of the Companies Act, 2013

[Read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

A. Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year ended 31st March, 2021.

(₹ In Lakhs)

Sr. No.	Name of Director	Designation	Remuneration of Director/KMP for FY 2020-21	Ratio of Remuneration of each Director/to median remuneration of employees
1.	Mr.Satish Kumar Agarwal	Chairman & Managing Director	144.54	40.15:1
2.	Mr.Sunil Kumar Agarwal	Whole Time Director	141.67	39.35:1
3.	Mr.Saurabh Agarwal	Whole Time Director	138.79	38.55:1
4.	Mr.Sachin Agarwal	Whole Time Director	138.79	38.55:1
5.	Mr.Mahendra Kumar Doogar	Independent Director	5.20	1.45:1
6.	Mr.Ramesh Chand Surana	Independent Director	5.01	1.39:1
7.	Mrs. Nishal Jain	Independent Director	4.60	1.28:1
8.	Mr.Ramesh Chandra Jain	Independent Director	2.80	0.77:1

*Median Salary (Annual) of employees for the FY 2020-21 is ₹ 3,60,192/-.

- a. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year ended 31st March, 2021.

Sr. No.	Name of Director/ KMP	Designation	% Increase in remuneration
1.	Mr.Satish Kumar Agarwal	Chairman & Managing Director	(4.14)
2.	Mr.Sunil Kumar Agarwal	Whole Time Director	(4.14)
3.	Mr.Saurabh Agarwal	Whole Time Director	(4.14)
4.	Mr.Sachin Agarwal	Whole Time Director	(4.14)
5.	Mr.Mahendra Kumar Doogar	Independent Director	42.46
6.	Mr.Ramesh Chand Surana	Independent Director	43.14
7.	Mrs. Nishal Jain	Independent Director	64.28
8.	Mr.Ramesh Chandra Jain	Independent Director	133.34
9.	Mr.Harish Kumar Agarwal	Chief Financial Officer	(4.36)
10.	Mr. Jogeswar Mohanty	Company Secretary	(27.09)
11.	Mr.Ashish Kapil	Company Secretary	NA

- b. The percentage increase in the median remuneration of employees in the financial year ended 31st March, 2021:

During the year no change in the remuneration to the median employee.

- c. The number of permanent employees on the rolls of company as on 31st March, 2021:

858.



ANNEXURE-VIII (Contd.)

- d. Average percentile increase already made in the salaries of employees other than the Managerial Personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

There is no increase in the average salaries paid to employees other than managerial personnel in FY 2020-21. Percentage increase in the managerial remuneration for the year was (3.05) %.

- e. Affirmation that the remuneration is as per the remuneration policy of the Company.

It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

The Company's remuneration policy is driven by the success and performance of the individual employees and the Company. Through its compensation package, the Company endeavors to attract, retain, develop and motivate a high-performance staff. The Company follows a compensation mix of fixed pay, benefits and performance based variable pay. Individual performance pay is determined by business performance and the performance of the individuals measured through the annual appraisal process. The Company affirms remuneration is as per the remuneration policy of the Company.

Particulars of Employees pursuant to the provisions of section 197(12) of the Companies Act, 2013 read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

S. No	Name	Age (Years)	Designation of employee	Annual Remuneration (in ₹)	Qualification	Experience (Years)	Date of commencement of Employment	Last Employment held/ Designation/ Period	Nature of employment whether contractual or otherwise	Percentage of equity shares held in the Company	Whether the employee is relative of any director or manager of the Company and if yes, name of such director or manager
1	Mr. Raj Kumar Srivastava	52	National Head - Sales & Marketing	7163304	B.Com -1989	26	1st September, 2007	1) Acro Paints - 12 Years	Permanent		No
2	Mr. Harish Kumar Agarwal	53	Cfo & Head- Legal	3655272	B.Com. C.A-1993	30	1st July, 2006	1) PenamLaboratories Limited - G.M - Finance (July 1998 To June 2006) 2) Indo Textprints Overseas Limited- Manager- F&A (Sept. -1993 To June 1998) 3) Sharma, Goel & Co., C.A - Manager - Audit (May 1991 To August 1993)	Permanent		No
3	Ms. Vipil Agarwal	51	A.G.M - Business Development	2971296	MA, Bed	15	1st August, 2006	Nil	Permanent		Mr. Harish Kumar Agarwal
4	Ms. Somya Agarwal	29	G.M - Business Development	2865312	PGPM-2016	4	3rd August, 2018	Nil	Permanent		Mr. Sunil Kumar Agarwal
5	Ms. Mridula Srivastava	50	Sr. Manager - Business Development	2105376	M.A.-1994	4	1st May, 2018	Nil	Permanent		Mr. Raj Kumar Srivastava
6	Mr. Ashim Ranjan Banerjee	68	V.P - R&D	1991352	B.Sc (Hons.)	45	15th February, 2008	1) Super Aquacem India Private Limited - 14 Years 2) J Enson & Nicholson - 4 Years 3) Worked For 14 Years Previously	Permanent		No

**ANNEXURE-VIII (Contd.)**

S. No	Name	Age (Years)	Designation of employee	Annual Remuneration (in ₹)	Qualification	Experience (Years)	Date of commencement of Employment	Last Employment held/ Designation/ Period	Nature of employment whether contractual or otherwise	Percentage of equity shares held in the Company	Whether the employee is relative of any director or manager of the Company and if yes, name of such director or manager
7	Mr. Dilip Mehra	67	Sr. G.M - Sales And Marketing	1801368	SP. DBA -1983	45	2nd November, 2009	1) Zenith Industries Limited - Marketing Officer (Mar 1976 To Aug 1980) 2) Tata Special Steels Limited Sr. Sales Officer (Aug 1980 To Mar 1986) 3) Haryana Concast Limited - Sales Manager (Mar 1986 To July 1990) 4) Reliance Ispat Limited - G.M - Marketing (July 1990 To June 1997) 5) Shah Alloys Industries Limited - Business Development Advisor (July 1997 To 2003) 6) Kamdhenu Ispat Limited - G.M - Marketing (2003 To 2005) 7) Supreme Alloys Limited - President - Operations (2005 To 2009)	Permanent		No
8	Mr. Shyam Babu Sharma	60	Sr. G.M - Business Development	1777368	M.A. -1983	23	1st August, 2006	1) Nova Steel Limited- 8 Years (Sales Officer)	Permanent		No



ANNEXURE-VIII (Contd.)

S. No	Name	Age (Years)	Designation of employee	Annual Remuneration (in ₹)	Qualification	Experience (Years)	Date of commencement of Employment	Last Employment held/ Designation/ Period	Nature of employment whether contractual or otherwise	Percentage of equity shares held in the Company	Whether the employee is relative of any director or manager of the Company and if yes, name of such director or manager
9	Mr. Nihal Raptia	49	Regional Sales Manager	1773360	B.A From H.P.U (Shimla)	21	14th September, 2009	1) Marico Industries - Sales Officer (2000 To 2003) 2) Kansai Nerolac Paints - Territory Sales Officer (Sept. 2003 To Jan. 2008) 3) Ici India Limited - Sr. Sales Officer (Jan 2008 To Aug 2009)	Permanent		No
10	MR. NEERAJ SRIVASTAVA	48	REGIONAL SALES MANAGER	1710168	B.SC-1994	21	20th August, 2009	1) BERGER PAINTS INDIA LIMITED - SR. SALES EXECUTIVE (2002-2009) 2) MARIGOLD PAINTS PRIVATE LIMITED- OFFICER (2000-2002)	PERMANENT		NO



ANNEXURE-VIII (Contd.)

Employed throughout the year and in receipt of remuneration not less than ₹ 102 Lakhs	NIL
Employed for part of the year and in receipt of remuneration not less than ₹ 8.50 Lakh per month.	NIL
Employees in the Company who employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the Managing Director or Whole-Time Director or Manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.	NIL

**BY ORDER OF THE BOARD OF DIRECTORS OF
KAMDHENU LIMITED**

Satish Kumar Agarwal

Chairman & Managing Director

DIN: 00005981

Sunil Kumar Agarwal

Whole Time Director

DIN: 00005973

Date: 21st June, 2021

Place: Gurgaon

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KAMDHENU LIMITED

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying standalone financial statements of KAMDHENU LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2021, the profit after tax and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These

matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the basis for opinion section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	How the Key Audit Matter was addressed:
During the financial year ended 31st March, 2020, the company accounted for insurance claim receivable of ₹ 4203.58 lakhs on account of Fire at Paint Factory of the company on mid night of 27-28th April, 2019 and shown the same as "Exceptional Item" after netting off amount of loss of fire of ₹ 4283.68 lakhs. The insurance company during FY 2020-21 was in the process of evaluating claim amount and based on its interim assessment, out of such insurance claim recoverable, an amount of ₹ 1003.36 lakhs (net) is likely to be deducted, accordingly the company have written off ₹ 1003.36 lakhs and shown as "Exceptional Item". An amount of ₹ 557.21 lakhs out of Insurance claim recoverable had already been received in FY 2020-21 including salvage disposal of ₹ 57.21 lakhs and balance amount is expected to be realised in the current financial year.	Our Audit procedures with regard to writing off of ₹ 1003.36 lakhs included reviewing of insurance claim correspondence with Insurance Company and also discussions with the company officials and insurance advisor in this regard.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this Auditor report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our

opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the

disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income,

Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the



Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government

in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **BSD & Co.**

Chartered Accountants

Firm's registration number: 000312S

Surendra Khinvasra

Partner

Membership number: 070804

UDIN: 21070804AAAAAS6882

Place: Gurgaon

Date: 21st June, 2021

ANNEXURE - A

TO THE AUDITORS' REPORT

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls over financial reporting of **Kamdhenu Limited** ("the Company") as of 31st March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating

effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone financial statements.

Inherent Limitations of Internal financial Controls over financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future



periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential

components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **BSD & Co.**
Chartered Accountants
Firm's registration number: 000312S

Surendra Khinvasra
Partner
Membership number: 070804
UDIN: 21070804AAAAAS6882

Place: Gurgaon
Date: 21st June, 2021

ANNEXURE - B

TO THE AUDITORS' REPORT

THE ANNEXURE REFERRED TO IN INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE COMPANY ON THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021, WE REPORT THAT:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets
 - (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
 - (c) According to the information and explanations given to us, the records examined by us and based on the examination of conveyance deed / registered sale deeds provided to us, we report that, the title deeds, comprising all immovable properties of land and building, are held in the name of the Company as at the balance sheet date.
 - (ii) According to the information and explanation given to us and on the basis of our examination of the records of the company, physical verification of the inventory has been conducted at reasonable intervals by the management and discrepancies noticed which were not material in nature have been properly dealt with in the books of accounts.
 - (iii) According to the information and explanation given to us, during the year the company has not granted any loans, secured or unsecured to companies, firm or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
 - (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees and securities granted during the year in respect of which provisions of section 185 and 186 of the Companies Act, 2013 are applicable.
 - (v) The Company has not accepted any deposits from the public.
 - (vi) We have broadly reviewed the books of accounts maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148 (i) of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained, however, we have not made a detailed examination of such cost records.
 - (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of accounts in respect of undisputed statutory dues including provident fund, employee state insurance, income-tax, duty of customs, Cess, Goods & Service Tax (GST) and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities other than balance amount of ₹ 111.38 lakhs on account of reversal of GST on Inventory and Plant & Machinery lost in fire which have not been deposited as at the date of approval of standalone financial statement.
- According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employee state insurance, income tax, duty of customs, Cess, Goods & Service Tax (GST) and other material statutory dues were in arrears as at 31st March 2021 for a period of more than six months from the date they became payable except balance amount of GST of ₹ 111.38 lakhs on account of reversal of GST on Inventory and Plant & Machinery lost in fire, which remained unpaid and have not been deposited till the date of approval of standalone financial statements.



- (b) According to the information and explanations given to us, there are no material dues of income tax, duty of custom, or duty of excise, or value added tax, Cess or Goods & Service Tax (GST) which have not been deposited with the appropriate authorities on account of any dispute except as under:-

Name of the Statutes	Nature of Dues	Amount in Lakhs	Financial Year to which amount relates	Forum where dispute is pending
Central Excise Act	Penalty	297.00	2008-09	CESTAT-Mumbai/ Delhi /Allahabad
Rajasthan VAT Act	VAT & CST	74.18	1997-98	Appellate Authority, Commercial Tax, Alwar

- (viii) The Company has not defaulted in repayment of loan or borrowing to a financial institution or bank, government. There are no debenture holders.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). According to the information and explanation given to us, term loans raised during the year were used for the purpose for which it was raised.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Standalone financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **BSD & Co.**

Chartered Accountants

Firm's registration number: 000312S

Surendra Khinvasra

Partner

Membership number: 070804

UDIN: 21070804AAAAAS6882

Place: Gurgaon

Date: 21st June, 2021

STANDALONE BALANCE SHEET

AS AT 31ST MARCH, 2021

(₹ in Lakhs)

Particulars	Note No.	As at 31st March, 2021	As at 31st March, 2020
ASSETS			
1. Non-Current Assets			
(a) Property, Plant and Equipment	1	8,575.94	7,940.02
(b) Capital Work in Process	1	75.52	112.32
(c) Right of Use Assets	1	500.33	676.21
(d) Financial Assets			
(i) Investment in subsidiary	2	4.04	3.04
(ii) Other Investment	2	235.20	267.60
(iii) Loans	3	8.60	-
(iv) Other Financial Assets	4	296.39	287.44
(e) Other Non-Current Assets	5	1,113.23	1,089.63
Total Non-Current Assets		10,809.25	10,376.26
2. Current Assets			
(a) Inventories	6	6,728.67	7,824.21
(b) Financial Assets			
(i) Investment	7	617.23	353.30
(ii) Trade Receivables	8	19,950.55	21,211.20
(iii) Cash and Cash Equivalents	9	235.97	265.03
(iv) Bank Balances other than (iii) above	10	172.19	225.79
(v) Loans	11	42.67	48.38
(vi) Other Financial Assets	12	2,610.91	4,223.83
(c) Other Current Assets	13	1,945.65	1,876.97
Total Current Assets		32,303.84	36,028.71
Total Assets		43,113.09	46,404.97
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	14	2,693.55	2,654.33
(b) Other Equity	15	16,784.14	15,415.45
Total Equity		19,477.69	18,069.78
Liabilities			
1. Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	236.00	43.51
(ii) Lease Liabilities	17	505.86	658.20
(iii) Other Financial Liabilities	18	743.51	729.27
(b) Provisions	19	416.16	399.91
(c) Deferred Tax Liabilities (Net)	20	542.10	560.84
Total Non-Current Liabilities		2,443.63	2,391.73
2. Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	22	8,464.21	11,747.82
(ii) Lease Liabilities	23	152.34	165.34
(iii) Trade Payables	24		
- total outstanding dues of micro enterprises and small enterprises		1,775.60	1,649.77
- total outstanding dues of creditors other than micro enterprises and small enterprises		8,492.87	10,559.44
(iv) Other Financial Liabilities	25	1,402.67	869.98
(b) Other Current Liabilities	26	837.67	894.04
(c) Provisions	27	66.41	57.07
Total Current Liabilities		21,191.77	25,943.46
Total Liabilities		23,635.40	28,335.19
Total Equity and Liabilities		43,113.09	46,404.97

Significant Accounting Policies

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached

For and on behalf of board of directors

For B S D & CO.

Chartered Accountants

Firm Registration No. 000312S

(Surendra Khinvasra)

Partner

Membership No.070804

Date : 21st June, 2021

Place : Gurgaon

(Satish Kumar Agarwal)

Chairman & Managing Director

DIN: 00005981

(Harish Kumar Agarwal)

Chief Financial Officer

(Sunil Kumar Agarwal)

Whole Time Director

DIN: 00005973



STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Lakhs)

Particulars	Note No.	Year ended 31st March, 2021	Year ended 31st March, 2020
I Revenue from Operations	28	62,522.13	92,379.23
II Other Income	29	349.38	64.43
III Total Income (I+II)		62,871.51	92,443.66
IV Expenses:			
Cost of Materials Consumed	30	35,048.89	33,592.53
Purchases of Stock-in-Trade	31	6,747.97	40,819.61
Changes in Inventory of Finished Goods, Work-in-Progress and Stock-in-Trade	32	1,098.10	(3,362.70)
Employee Benefits Expense	34	4,804.84	5,019.40
Finance Costs	35	1,358.83	1,190.19
Depreciation & Amortization Expense	36	866.29	838.24
Other Expenses	37	9,847.25	11,872.29
Total Expenses (IV)		59,772.17	89,969.57
V Profit before exceptional items and tax (III-IV)		3,099.34	2,474.09
VI Exceptional Items	33	1,003.37	2,518.94
VII Profit/(Loss) before tax (V-VI)		2,095.97	(44.85)
VIII Tax Expenses:	21		
(1) Current Tax		595.47	148.54
(2) Deferred Tax		(10.57)	(384.73)
(3) Income Tax of earlier years		1.96	3.09
Total Tax Expenses (VIII)		586.86	(233.10)
IX Profit for the year after Tax (VII-VIII)		1,509.11	188.25
X Other Comprehensive Income:			
A. Items that will not be reclassified to profit or loss:			
(i) Fair Value of Investments in Equity		(32.40)	(2.40)
(ii) Actuarial (Losses)/ Gain on defined benefit plans		18.48	9.32
(iii) Tax impact on above		8.17	2.17
XI Total Comprehensive Income for the year (IX+X)		1,503.36	197.34
XII Earnings per equity share of face value of ₹10 each	39		
Basic (In Rupees)		5.62	0.71
Diluted (In Rupees)		5.62	0.70

Significant Accounting Policies

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached

For B S D & CO.

Chartered Accountants

Firm Registration No. 000312S

(Surendra Khinvasra)

Partner

Membership No.070804

Date : 21st June, 2021

Place : Gurgaon

For and on behalf of board of directors

(Satish Kumar Agarwal)

Chairman & Managing Director

DIN: 00005981

(Harish Kumar Agarwal)

Chief Financial Officer

(Sunil Kumar Agarwal)

Whole Time Director

DIN: 00005973

STANDALONE STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) Before Tax	2,095.97	(44.85)
Non cash adjustment to Profit Before Tax:		
Interest Income	(17.72)	(34.90)
Depreciation and amortization	866.29	838.24
Interest Expenses	1,358.83	1,190.19
Share Based Payments to Employees	-	81.90
Remeasurement of the Defined Benefit Plan	44.07	60.61
Write down Insurance Claim	1,003.37	-
Loss/ (Gain) on disposal of Property, Plant and Equipment	(1.38)	2.83
Unrealised Loss/(Gain) on valuation of PMS measured at fair value(net)	(263.93)	146.70
Ind AS adjustment for Fair Value of Rent & Security Deposit	(6.99)	(7.08)
Provision for Expected Credit Loss	275.24	162.95
Operating profit before working capital changes	5,353.75	2,396.59
Net Change in		
Inventories	1,095.54	(4,039.22)
Trade Receivables	1,007.33	916.03
Other Bank Balances	53.60	(12.57)
Other Financial Assets	584.74	58.60
Other Current Assets	(68.68)	455.03
Other Non Current Assets	(23.60)	(742.10)
Trade Payables	(1,940.74)	1,146.75
Other Current Financial Liabilities	(400.52)	12.15
Other Current Liabilities	(56.37)	(205.87)
Other Non-Current Financial Liabilities	14.06	(82.59)
Cash Used from Operation		
Income Taxes paid (net)	(597.43)	(156.64)
Net Cash Flow from Operating Activities (A)	5,021.68	(253.84)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Payment for acquisition of Property, Plant and Equipment & Capital WIP	(973.65)	(1,479.36)
Payment for investment in PMS-IIFL	-	(500.00)
Payment for investment in Equity shares of Kamdhenu Ventures Limited	-	(3.04)
Payment for investment in Equity shares of Kamdhenu Jeevandhara Foundation	(1.00)	-
Proceeds from sale of Property, Plant and Equipment	2.58	74.51
Interest Received	15.94	26.13
Net Cash Flow from Investing Activities (B)	(956.13)	(1,881.76)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest Paid	(1,280.15)	(1,065.40)
Payment of Lease Liabilities	(240.32)	(214.76)
Net Change in Borrowings	(2,478.57)	3,000.76
Money Received against ESOP issued	39.23	71.63
Dividend paid (including dividend paid out of unclaimed dividend of earlier year)	(134.80)	(318.69)
Net Cash from Financing Activities (C)	(4,094.62)	1,473.54
Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)	(29.06)	(662.07)
Opening Balance Cash and Cash Equivalents	265.03	927.10
Closing Balance Cash and Cash Equivalents	235.97	265.03



STANDALONE STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

Components of Cash and Cash Equivalents

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balances with Banks	210.39	224.03
Cash on hand	19.77	37.60
Deposits with maturity for less than 3 month	5.81	3.40
Total	235.97	265.03

Reconciliation Statement of Cash & Bank Balances

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Cash and Cash Equivalent as per above	235.97	265.03
Add: Balance with Bank in dividend/ unclaimed dividend account	15.87	15.99
Deposits with maturity for more than 3 month but less than 12 month	156.32	209.80
Fixed Deposits with bank having maturity period more than 12 months	1.32	2.11
Total	409.48	492.93

DISCLOSURE AS REQUIRED BY IND AS 7

Reconciliation of liabilities arising from financing activities

(₹ in Lakhs)

31st March, 2021	Opening Balance	Cash Flows	Non Cash Changes	Closing Balance
Short term secured borrowings	11,799.97	(2,671.06)	-	9,128.91
Long term secured borrowings	43.51	192.49	-	236.00
Total	11,843.48	(2,478.57)	-	9,364.91

(₹ in Lakhs)

31st March, 2020	Opening Balance	Cash Flows	Non Cash Changes	Closing Balance
Short term secured borrowings	8,794.10	3,005.87	-	11,799.97
Long term secured borrowings	48.62	(5.11)	-	43.51
Total	8,842.72	3,000.76	-	11,843.48

Significant Accounting Policies

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached

For B S D & CO.

Chartered Accountants
Firm Registration No. 000312S

(Surendra Khinvasra)

Partner
Membership No.070804

Date : 21st June, 2021

Place : Gurgaon

For and on behalf of board of directors

(Satish Kumar Agarwal)

Chairman & Managing Director
DIN: 00005981

(Harish Kumar Agarwal)

Chief Financial Officer

(Sunil Kumar Agarwal)

Whole Time Director
DIN: 00005973

STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH, 2021

A. EQUITY SHARE CAPITAL

(₹ in Lakhs)

Balance as at 1st April, 2019	Change in equity share capital during the FY 2019-20	Balance as at 31st March, 2020	Change in equity share capital during the FY 2020-21	Balance as at 31st March, 2021
2,640.00	14.33	2,654.33	39.23	2,693.55

B. OTHER EQUITY

(₹ in Lakhs)

Particulars	Reserve and Surplus				Other Comprehensive Income		Total
	Capital Reserve	Securities Premium	Share Based Payment Reserve	Retained Earnings	Fair Value of Investments	Actuarial (Losses)/ Gain on defined benefit plans	
Balance as at 1st April, 2019	181.29	4,791.70	345.65	10,170.55	8.25	(23.14)	15,474.30
Adjustment on account of transitional impact on adoption of Ind AS 116 (net of deferred tax)	-	-	-	(75.39)	-	-	(75.39)
Addition during the year	-	352.35	-	-	-	-	352.35
Profit / (Loss) for the year	-	-	-	188.25	2.11	6.97	197.33
Employee stock option outstanding	-	-	(213.15)	-	-	-	(213.15)
Dividend	-	-	-	265.43	-	-	265.43
Tax on dividend	-	-	-	54.56	-	-	54.56
Balance as at 31st March, 2020	181.29	5,144.05	132.50	9,963.42	10.36	(16.17)	15,415.45
Balance as at 1st April, 2020	181.29	5,144.05	132.50	9,963.42	10.36	(16.17)	15,415.45
Addition during the year	-	132.50	-	-	-	-	132.50
Profit / (Loss) for the year	-	-	-	1,509.11	(19.58)	13.83	1,503.36
Employee stock option outstanding (net)	-	-	(132.50)	-	-	-	(132.50)
Dividend	-	-	-	134.68	-	-	134.68
Tax on dividend	-	-	-	-	-	-	-
Balance as at 31st March, 2021	181.29	5,276.56	-	11,337.85	(9.22)	(2.34)	16,784.14

As per our report of even date attached

For B S D & CO.

Chartered Accountants
Firm Registration No. 000312S

(Surendra Khinvasra)

Partner
Membership No.070804

Date : 21st June, 2021

Place : Gurgaon

For and on behalf of board of directors

(Satish Kumar Agarwal)

Chairman & Managing Director
DIN: 00005981

(Harish Kumar Agarwal)

Chief Financial Officer

(Sunil Kumar Agarwal)

Whole Time Director
DIN: 00005973



NOTES

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

CORPORATE INFORMATION

Kamdhenu Limited ("The Company") is public limited company incorporated and domiciled in India under Companies Act, 1956 ("Act"). The Company's registered office is situated at 2nd Floor, Tower-A, Building No. 9, DLF Cyber City, Phase-III, Gurgaon-122002. Its equity shares are listed at Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

The Company is engaged in manufacturing, marketing, branding and distribution of TMT Bars, structural steel, paints and allied products under brand name KAMDHENU. The Company is also integrated with independent producer efficacious Franchisee Business Association Model and streamlined the unorganized steel sector into organized sector. The standalone financial statement for the year ended 31st March, 2021 was approved and authorized by Board of Directors in their meeting held on 21st June, 2021.

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 Statement of Compliance

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as Ind AS) as prescribed under section 133 of the Companies Act, 2013 read with companies (Indian Accounting Standards) Rules as amended from time to time.

1.2 Basis of Preparation

The financial statements of the Company are consistently prepared and presented under historical cost convention on an accrual basis in accordance with Ind AS except for certain financial assets and liabilities that are measured at fair values.

The Company's functional currency and presentation currency is Indian National Rupees (INR). All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakhs, except otherwise indicated.

The Company presents its assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is treated as current when it is:

- expected to be realized or intended to be sold or consumed in normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realized within twelve months after the reporting period; or

- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when it is:

- expected to be settled in normal operating cycle;
- held primarily for the purpose of trading;
- due to be settled within twelve months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle being a period within twelve months for the purpose of current and non-current classification of assets and liabilities. The statement of cash flows has been prepared under indirect method.

1.3 Use of judgments, estimates and assumptions

The preparation of the Company's standalone financial statements required management to make judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets & liabilities and the accompanying disclosures and the disclosures of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment in the future periods in the carrying amount of assets or liabilities affected.

In accounting policies, management has made judgments in respect of evaluation of recoverability of deferred tax assets, which has the most significant effect on the amounts recognized in the financial statements.

The following are the key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within:

- Useful life of property, plant & equipment and intangible assets: The Company has estimated useful life of the property, plant & equipment as specified in Schedule II to the Companies

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FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

Act, 2013 or such other modified useful life as disclosed in para 1.4. However the actual useful life for individual equipments could turn out to be different, there could be technology changes, breakdown, and unexpected failure leading to impairment or complete discard. Alternately, the equipment may continue to provide useful service well beyond the useful life assumed.

- b) Estimation of uncertainty related to Global Health Pandemic from COVID-19: The Company has considered the possible effects that may results from pandemic relating to COVID-19 on the carrying amount of financial assets including Trade receivable. In developing the assumptions relating to the possible future uncertainties in global economic conditions because of the pandemic, the Company as at the date of approval of these financial statement has used internal and external source of information, on the expected future performance of the Company and based on estimates the Company expects that the carrying amount of financial assets will be recovered and the Company do not expect any significant impact of COVID-19 on the Company's financial statements as at the date of approval of these Standalone Financial Statements.
- c) Lease: The Company evaluates if an arrangement qualifies to be a lease as per the requirement of Ind AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In excersing whether the Company is reasonably certain to excercise an option to extend a lease or to exercise an option to terminate the lease, it considers all relevant facts and circumstances that create economic incentive for the Company to exercise the option to extend the lease or to exercise the option to terminate the lease. The

Company revises lease term, if there is change in non-cancellable period of lease. The discount rate used is generally based on incremental borrowing rate.

- d) Fair value measurement of financial instruments: When the fair value of financial assets and financial liabilities cannot be measured based on quoted process in active market, the fair value is measured using valuation techniques including book value and the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not possible, a degree of judgment is required in establishing fair values.
- e) Taxes: Taxes have been paid/ provided, exemptions availed, allowances considered etc. are based on the extant laws and the Company's interpretation of the same based on the legal advice received wherever required. These could differ in the view taken by the authorities, clarifications issued subsequently by the government and courts, amendments to statutes by the government etc.
- f) Defined benefit plans: The cost of defined benefit plans and other post-employment benefit plans and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future.
- g) Provisions: The Company makes provisions for leave encashment and gratuity based on report received from the independent actuary. These valuation reports use complex valuation models using not only the inputs provided by the Company but also various other economic variables. Considerable judgment is involved in the process.
- h) Contingencies: A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligations at the end of the reporting period. However, the actual liability could be considerably different.



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FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

1.4 Property, Plant and Equipment

Freehold land is carried at historical cost. All other property, plant and equipment are stated at cost, net of recoverable taxes, trade discounts and rebates less accumulated depreciation and impairment loss, if any. The cost of tangible assets comprises its purchase price, borrowing cost, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, initial estimation of any decommissioning obligations and finance cost.

On transition to Ind AS, the fair value as on 1st April, 2016 in respect of class of asset comprising land & building and plant & machinery has been taken as carrying cost and subsequently the Company follows cost model. When significant parts of the property, plant and equipment are required to be replaced at intervals, the Company derecognizes the replaced part and recognizes the new part with its own associated useful life and depreciated accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred.

Cost of software directly identified with hardware is recognized along with the cost of hardware.

Stores and spares which meet the definition of property, plant and equipment and satisfy recognition criteria of Ind AS 16 are capitalized as property, plant and equipment.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset is included in the Statement of Profit and Loss when the asset is derecognized.

Capital work-in-progress includes cost of property, plant and equipment which are not ready for their intended use.

The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and changes, if any, are accounted prospectively.

Depreciation on the property, plant and equipment is provided over the useful life of assets as specified in Schedule II to the Companies Act, 2013 using straight line method other than in case of rolling mill and tinting

machine, where useful life based on management estimate has been taken twenty years and ten years respectively. Property, plant and equipment which are added/disposed of during the year, depreciation is provided on pro rata basis with reference to the month of addition/deletion.

1.5 Intangible Assets

Intangible assets are recognized only if they are separately identifiable and the Company expects to receive future economic benefits arising out of them. Intangible assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization/depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs and any cost directly attributable to bringing the asset to its working condition for the intended use.

Computer Software is amortized over a period of three years.

Intangible assets with finite lives are amortized on straight line basis over their useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at each year end. The amortized expense on intangible assets with infinite lives and impairment loss is recognized in the Statement of Profit and Loss.

The useful lives of intangible assets are assessed as either finite or indefinite.

Gains or losses arising from de-recognition of an intangible asset are recognized in the Statement of Profit and Loss when the asset is derecognized.

Intangible assets with indefinite useful lives are not amortized but are tested for impairment annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis. The impairment loss on intangible assets with indefinite life is recognized in the Statement of Profit and Loss.

1.6 Impairment of non-financial assets

At each Balance Sheet date, the Company assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognized in the previous periods. If any indication exists or when

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FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

annual impairment testing for an asset is required, the Company determines the recoverable amount and impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

An asset's recoverable amount is the higher of an asset or Cash-Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

1.7 Investment in Subsidiaries, Associates and joint Ventures

Investment in subsidiaries, associates and joint ventures are carried at cost less impairment losses, if any. When an indication of impairment exists, the carrying amount of the investment is assessed and written down to its recoverable amount. On disposal of investment in subsidiary, associates and joint venture, the difference between net disposal proceeds and the carrying amount are recognized in statement of Profit & loss.

Investment in Equity Instruments

All investment in equity instrument classified under financial assets are initially measured at fair value. The Company may on initial application irrevocably elect to measure the same either at FVOCI or FVTPL.

The Company makes such election on an instrument by instrument basis. Fair value change on an equity instrument is recognized as 'other income' in statement of profit & Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividend on an equity instrument measured at FVOCI are recognized in OCI. Amount recognized

in OCI are not subsequently reclassified to statement of Profit & loss. Dividend income on investment in equity instrument are recognized as 'Other Income' in statement of Profit & Loss.

1.8 Inventories

Inventories are valued as under:

Raw materials, packing materials, stores and spares are valued at lower of cost (on a weighted average basis) and net realizable value.

Stock in process is valued at lower of cost (on a weighted average basis) and net realizable value.

Finished goods (including in transit) are valued at cost (on a weighted average basis) or net realizable value whichever is lower. Cost for this purpose includes direct materials, direct labour, utilities, other variable direct cost and manufacturing overheads, based on the normal operating capacity and depreciation.

1.9 Cash and cash Equivalents

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

For the purpose of statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above, net of outstanding bank overdrafts as they are considered as an integral part of the Company's cash management.

Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

Bank Balances other than above

Dividend escrow account balances, deposits with banks as margin money for guarantees issued by the banks, deposits kept as security deposits for statutory authorities are accounted as bank balances other than Cash and Cash equivalents.



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FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

1.10 Non-current Assets held for Sale

Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Non-current assets are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets.

Property, plant and equipment and intangible assets are not depreciated or amortized once classified as held for sale.

1.11 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A. Financial Assets:

(i) Classification:

The Company classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income, or fair value through profit and loss on the basis of its business model for managing the financial asset and the contractual cash flow characteristics of the financial asset.

(ii) Initial recognition and measurement:

All financial assets are recognized initially at fair value plus, in the case of financial assets not recognized at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial asset.

(iii) Financial assets measured at amortized cost:

Financial assets are subsequently measured at amortized cost using Effective Interest Rate (EIR) method, if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. The losses arising from the impairment are recognized in the Statement of Profit and Loss.

(iv) Financial assets at fair value through other comprehensive income:

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms give rise to cash flows that are solely payments of principal and interest on the principal outstanding.

(v) Financial assets measured at fair value through profit and loss:

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in profit and loss.

(vi) De-recognition of financial assets:

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

AA. Impairment of Financial Assets

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

B. Financial Liabilities

(i) Classification:

The Company classifies all financial liabilities as subsequently measured at amortized cost, except for financial liabilities at fair value through profit and loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

(ii) Initial recognition and measurement:

All financial liabilities are recognized initially at fair value, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other

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FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

payables, loans and borrowings including bank overdrafts and derivative financial instruments.

(iii) Subsequent measurement:

All financial liabilities are re-measured at fair value through statement of profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through statement of profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

(iv) Loans and borrowings:

Interest bearing loans and borrowings are subsequently measured at amortized cost using effective interest rate (EIR) method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through EIR amortization process. The EIR amortization is included as finance cost in the Statement of Profit and Loss.

(v) De-recognition of financial liabilities:

A financial liability is derecognized when the obligation under the liability is discharged or canceled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

(vi) Derivative financial instruments:

The Company uses derivative financial instruments such as forward currency contracts and options to hedge its foreign currency risks. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. The gain or loss in the fair values is taken to Statement of Profit and Loss at the end of every period. Profit or loss on cancellations/renewals of forward contracts and options are recognized as income or expense during the period.

C. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis to realize the assets and settle the liabilities simultaneously.

1.12 Fair value measurement

The Company measures certain financial assets and financial liabilities including derivatives and defined benefit plans at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.



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FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

1.13 Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

1.14 Provisions, Contingent liabilities, Contingent Assets

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligations at the end of the reporting period. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the changes in the provision due to the passage of time are recognized as finance cost.

Contingent liabilities are disclosed in the case of:

- a present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from the past events, when no reliable estimate is possible; and
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Contingent assets are not recognized but disclosed in the financial statements when an inflow of economic benefit is probable.

1.15 Share Based Payment

- Equity-Settled Share Based Payments to Employee (primarily Employee Stock Option Scheme) and others providing similar services are measured at the Fair Value of the Equity Instrument at the grant date.
- The fair value determined at the grant date of the equity-settled share based payments is

expensed on a straight line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of revision of the original estimates, if any, is recognized in Statement of Profit And Loss such that the cumulative expense reflect the revised estimate, with a corresponding adjustment to Share Based Payment reserve.

- The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

1.16 Employee Benefits

A. Defined Contribution Plans

Retirement benefit in the form of contribution to provident fund and pension fund are charged to statement of Profit and Loss.

B. Defined Benefit Plan (Unfunded)

Gratuity is the nature of a defined benefit plan.

Provision for gratuity is calculated on the basis of actuarial valuation carried out at reporting date and is charged to statement of Profit and Loss. The actuarial valuation is computed using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amount included in net interest on the net defined benefit liability and the return on plan assets (excluding amount included in net interest on the net defined benefit liability) are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurement is not reclassified to profit or loss in subsequent periods.

C. Other Employee Benefits (Unfunded)

Leave Encashment is recognized as an expense in the statement of Profit and Loss account as and when they accrue. The Company determines the liability using the projected unit credit method with actuarial valuations carried out as at Balance Sheet date.

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1.17 Revenue Recognition

Revenue from Sale of Goods and services

The Company derives its revenue from sale of manufactured goods & traded goods primarily from steel segment and paint segment and also from Royalty services in respect of franchisee arrangement. In accordance with Ind AS 115, the Company recognizes revenue from sale of products & services at a time when performance obligations are satisfied and upon transfer of control of promised products and services to the customer in an amount that reflects the consideration, the Company expects to receive in exchange for their products or services. The Company disaggregates the revenue based on nature of products.

The revenue from sale of goods and services is net of variable consideration on account of various discounts and schemes offered by the Company.

Dividend Income

Dividend income is recognized when the right to receive is established and there is a reasonable certainty of its collection.

Interest Income

Interest income is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instruments (for example, prepayment, extension, call and similar options) but does not consider the expected credit loss.

Insurance Income

Income in respect of insurance claims recognized on acceptance basis or when there is reasonable certainty that the ultimate collection will be made.

Others

Income in respect of other claims and commissions are measured at fair value and recognized when there is reasonable certainty that the ultimate collection will be made.

1.18 Taxes on Income

Income Tax expenses comprise current tax expenses and the net change in the deferred tax asset or

liabilities during the year. Current and Deferred tax are recognized in Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognized in Other Comprehensive Income or directly in equity respectively.

Current Tax

The Company provides current tax based on the provisions of the Income Tax Act, 1961 applicable to the Company.

Deferred Tax

Deferred tax is recognized using the Balance Sheet approach. Deferred tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount.

Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or liability is settled, based on tax rates (and tax laws) that have been enacted or substantially enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

NOTES

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

1.19 Earnings Per Share

Basic earnings per share are calculated by dividing the profit after tax or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. In case there are any dilutive securities during the period presented, the impact of the same is given to arrive at diluted earnings per share

1.20 Segment Reporting

The operating segments have been identified on the basis of nature of products and the same are accordingly evaluated by the Manager and Board of Directors. The Company's primary operating segment is Steel and Paint.

1.21 Leases

In accordance with Ind AS 116, the Company recognizes right of use assets representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of right of use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before commencement date less any lease incentive received plus any initial direct cost incurred and an estimate of cost to be incurred by lessee in dismantling and removing underlying asset or restoring the underlying asset or site on which it is located. The right of use asset is subsequently measured at cost less accumulated depreciation, accumulated impairment losses, if any, and adjusted for any re-measurement of lease liability. The right of use assets is depreciated using the Straight Line Method from the commencement date over the shorter of lease term or useful life of right of use asset. The estimated useful lives of right of use assets are determined on the same basis as those of Property, Plant and Equipment. Right of use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment

loss, if any, is recognized in Statement of Profit and Loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

The lease liability is subsequently re-measured by increasing the carrying amount to reflect interest on lease liability, reducing the carrying amount to reflect the lease payments made and re-measuring the carrying amount to reflect any reassessment or lease modification or to reflect revised-in-substance fixed lease payments. The Company recognizes amount of re-measurement of lease liability due to modification as an adjustment to write off use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of right of use assets is reduced to zero and there is further reduction in measurement of lease liability, the Company recognizes any remaining amount of the re-measurement in Statement of Profit and Loss.

The Company has elected not to apply the requirements of Ind AS 116 to short term leases of all assets that have a lease term of 12 months or less unless renewable on long term basis and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense over lease term.

1.22 Foreign exchange transactions

Foreign currency transactions are accounted for at the exchange rate prevailing on the date of the transaction. All monetary foreign currency assets and liabilities are converted at the exchange rates prevailing at the reporting date. All exchange differences arising on translation of monetary items are dealt with in the Statement of Profit and Loss.

NOTES

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

NOTE NO. 1

(I) PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total	CWIP
Gross Carrying Value as on 1st April, 2019	1,908.40	1,675.33	6,726.31	200.50	677.58	167.54	11,355.66	78.07
Additions during the year	-	270.78	1,030.97	28.42	65.28	84.92	1,480.37	121.76
Deduction on account of Property Plant & Equipment lost in fire	-	632.62	1,607.76	65.44	-	50.62	2,356.44	54.74
Deductions/Adjustments	-	-	28.18	-	78.60	5.22	112.00	32.77
Gross Carrying Value as on 31st March, 2020	1,908.40	1,313.48	6,121.34	163.48	664.26	196.62	10,367.58	112.32
Accumulated Depreciation as on 1st April, 2019	-	200.74	1,595.18	163.74	299.58	129.02	2,388.26	-
Depreciation for the year	-	25.92	542.94	4.33	78.39	24.74	676.32	-
Deduction on account of Property Plant & Equipment lost in fire	-	81.90	388.84	54.89	-	43.94	569.57	-
Deductions/Adjustments	-	-	1.76	-	60.72	4.96	67.44	-
Accumulated Depreciation as on 31st March, 2020	-	144.76	1,747.52	113.17	317.25	104.86	2,427.56	-
Carrying Value as on 31st March, 2020	1,908.40	1,168.72	4,373.82	50.31	347.01	91.76	7,940.02	112.32
Gross Carrying Value as on 1st April, 2020	1,908.40	1,313.48	6,121.34	163.48	664.26	196.62	10,367.58	112.32
Additions during the year	-	384.70	851.35	9.22	52.87	29.40	1,327.54	874.55
Deductions/Adjustments	-	-	-	-	22.86	0.63	23.49	911.35
Gross Carrying Value as on 31st March, 2021	1,908.40	1,698.19	6,972.69	172.70	694.27	225.39	11,671.63	75.52
Accumulated Depreciation as on 1st April, 2020	-	144.76	1,747.52	113.17	317.25	104.86	2,427.56	-
Depreciation for the year	-	52.34	517.02	5.73	76.32	39.00	690.41	-
Deductions/Adjustments	-	-	-	-	21.72	0.57	22.29	-
Accumulated Depreciation as on 31st March 2021	-	197.10	2,264.54	118.91	371.85	143.29	3,095.69	-
Carrying Value as on 31st March, 2021	1,908.40	1,501.09	4,708.15	53.79	322.42	82.10	8,575.94	75.52



NOTES

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

(II) RIGHT OF USE ASSETS

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Building		
Opening Balance	676.21	738.68
Addition during the year	-	99.45
Depreciation for the year	(175.88)	(161.92)
Closing Balance of Right of use asset	500.33	676.21

NOTE NO. 2

INVESTMENTS - NON CURRENT

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Investment in Subsidiary Company (Valued at Cost unless stated otherwise)		
Unquoted Equity instrument-Fully Paid		
30,400 (31st March 2020: 30,400) equity share of M/s Kamdhenu Ventures Limited	3.04	3.04
10,000 (31st March 2020 Nil) equity shares of M/s Kamdhenu Jeevandhara Foundation	1.00	-
	4.04	3.04
Other Investment (Measured at Fair Value through Other Comprehensive Income)		
15,42,605 (31st March 2020: 15,42,605) equity shares of M/s Shree Bankey Bihari Ispat Private Limited	-	-
2,68,220 (31st March 2020: 2,68,220) equity shares of M/s Stelex Coating Limited	24.11	24.17
24,50,000 (31st March 2020: 24,50,000) equity shares of M/s Orange Spa Hotels & Resorts Private Limited	211.09	243.43
	235.20	267.60
Total	239.24	270.64

NOTE: 2.1

Aggregate book value of unquoted Investments	346.22	345.22
Aggregate carrying amount of unquoted investments valued at cost	4.04	3.04
Aggregate fair value of unquoted investments measured at fair value through Other Comprehensive Income.	235.20	267.60
Aggregate amount of impairment in value of investments.	106.98	74.58

NOTES

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

NOTE NO. 3

LOANS - NON CURRENT

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unsecured, considered good, unless stated otherwise:		
Advance to Employee	8.60	-
Total	8.60	-

NOTE NO. 4

OTHER FINANCIAL ASSETS - NON CURRENT

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Security deposits	295.07	285.33
Fixed Deposits with bank having maturity period more than 12 months	1.16	2.01
Interest accrued on Fixed Deposits	0.16	0.10
Total	296.39	287.44

NOTE NO. 5

OTHER NON CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Capital advance	5.50	82.06
Prepaid expenses	24.31	24.61
Tax Refundable (Net of Provision of ₹ 595.47 Lakhs)	977.15	901.69
Excise duty and Service tax deposited under protest	8.00	23.00
Duties and taxes refundable	98.27	58.27
Total	1,113.23	1,089.63

NOTE NO. 6

INVENTORIES

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Raw Materials & Packing Materials	1,375.79	1,401.23
Stock-in-Process	20.24	44.17
Finished Goods	4,319.58	4,985.46
Stock-in-Trade	628.29	1,040.26
Stores, Spares & Fuel	348.75	320.76
Waste, Scraps, Runner Risers & Mill Scale	36.02	32.33
Total	6,728.67	7,824.21



NOTES

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

NOTE NO. 6.1

- a) The Company do not have any inventory which is expected to be sold in more than 12 months.

NOTE NO. 7

INVESTMENT - CURRENT (Measured at Fair Value through Statement of Profit & Loss)

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Investment in Portfolio Management Services through IIFL Asset Management Limited	617.23	353.30
Total	617.23	353.30

The above investment have been made with IIFL Asset Management Limited held for sale and is intended to be held for short term, accordingly classified as current Investment

NOTE: 7.1

Aggregate Cost of portfolio forming part of Portfolio Management Services	473.61	492.37
Reversal of unrealized gain/ (loss) of Previous Year	(139.07)	-
Unrealized Gain/ (Loss) accounted in Statement of Profit & Loss	282.69	(139.07)
Aggregate Market value of portfolio forming part of Portfolio Management Services	617.23	353.30

NOTE NO. 8

TRADE RECEIVABLES - CURRENT

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Trade Receivable - Unsecured		
Considered good	19,950.55	21,211.20
Considered doubtful	869.39	616.07
	20,819.94	21,827.27
Less: Allowance for Expected Credit Loss (ECL)	869.39	616.07
Total	19,950.55	21,211.20

Note:

- a) The Company has used a practical expedient by computing the Expected Credit Loss allowance based on a provision matrix. The expected credit loss allowance is based on the ageing of the days, the receivables are due and recognizes impairment loss allowance based on lifetime expected loss on each reported date right from its initial recognition. The provision matrix at the end of each reporting period is as under :

Particulars	As at 31st March, 2021	As at 31st March, 2020
Trade Receivables	20,819.94	21,827.27
Trade Receivables not considered for ECL Matrix	15,469.00	17,459.74
Trade Receivables considered for ECL Matrix	5,350.94	4,367.52
Movement in allowance for doubtful debts :		
Balance at the beginning of the year	616.07	463.12
Addition during the year (net)	253.32	152.95
Balance at the end of the year	869.39	616.07

NOTES

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

- b) The concentration of credit risk on trade receivable is limited due to the fact that the customer base is large and is unrelated to each other.
- c) No trade receivable is due from directors & other officers of the Company either singly or severally with any other person or from firm or private companies in which any director is interested as partner/ director.
- d) The Company has assessed the risk of recovery from trade receivable arising on account of Pandemic Covid-19 and based on its assessment, the management of company do not foresee any impact on realisability of Trade receivable and is of the view that allowance for Expected credit loss created is sufficient and no further provisioning on this account is necessitated.

NOTE NO. 9

CASH AND CASH EQUIVALENTS - CURRENT

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balances with Banks	210.39	224.03
Cash on hand	19.77	37.60
Deposits with maturity for less than 3 month	5.81	3.40
Total	235.97	265.03

NOTE NO. 10

OTHER BALANCES WITH BANKS - CURRENT

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balance with bank in unpaid dividend accounts	15.87	15.99
Deposits with maturity for more than 3 month but less than 12 month	156.32	209.80
Total	172.19	225.79

There are no amount due and outstanding to be transferred to Investor Education and Protection Fund as at 31st March, 2021.

NOTE NO. 11

LOANS - CURRENT

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unsecured, considered good, unless stated otherwise:		
Loans and Advances to employees	42.67	48.38
Total	42.67	48.38



NOTES

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

NOTE NO. 12

OTHER FINANCIAL ASSETS - CURRENT

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unsecured, considered good, unless stated otherwise:		
Interest accrued on Fixed Deposit	1.62	8.77
Advances recoverable		
Considered good	21.91	43.83
Considered doubtful	21.91	-
	43.82	43.83
Less: Allowance for doubtful advance	21.91	-
	21.91	43.83
Insurance Claims and other receivables (Refer note no. 52)	2,587.38	4,171.23
Total	2,610.91	4,223.83

The Reconciliation and movement in allowance for doubtful advances are as under:-

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balance at the beginning of the year	-	-
Addition during the year	21.91	-
Balance at the end of the year	21.91	-

NOTE NO. 13

OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unsecured, considered good, unless stated otherwise:		
Advances recoverable in Cash or in Kind for value to be received		
Considered good	1,585.40	1,526.95
Considered doubtful	10.00	10.00
	1,595.40	1,536.95
Less: Allowance for doubtful Advances	10.00	10.00
	1,585.40	1,526.95
Balances with statutory authorities	273.13	294.42
Duties and taxes refundable	1.13	1.13
Prepaid expenses	85.99	54.47
Total	1,945.65	1,876.97

NOTES

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

The Reconciliation and movement in allowance for doubtful advances are as under:-

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balance at the beginning of the year	10.00	-
Addition during the year	-	10.00
Balance at the end of the year	10.00	10.00

NOTE NO. 14

EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Authorized Share Capital:		
3,00,00,000 (Previous year 3,00,00,000) Equity Shares of ₹ 10 each	3,000.00	3,000.00
Issued, Subscribed and Paid up:		
2,69,35,500 (Previous year 2,65,43,250) Equity Shares of ₹ 10 each	2,693.55	2,654.33
Total	2,693.55	2,654.33

(a) Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	As at 31st March, 2021	As at 31st March, 2020
At the beginning of the year	2,65,43,250	2,64,00,000
Add: Issued during the year	3,92,250	1,43,250
Less: Bought back during the year	-	-
At the end of the year	2,69,35,500	2,65,43,250

(b) Details of Shareholders holding more than 5 % Shares in the Company

Name of the Shareholder	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares	% held	No. of Shares	% held
Mr. Sunil Kumar Agarwal	15,45,292	5.74%	15,45,292	5.82%
Mrs. Sarita Agarwal	16,16,950	6.00%	16,16,950	6.09%
M/s Kamdhenu Overseas Limited	30,50,000	11.32%	30,50,000	11.49%
M/s Kamdhenu Paint Industries Limited	15,21,801	5.65%	15,21,801	5.73%
M/s Kamdhenu Concast Limited	14,28,510	5.30%	14,28,510	5.38%

(c) Term/ rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10/- Per Share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

The repayment of Equity share capital in the event of Liquidation and buy back of Shares are possible subject to prevalent regulations. In the event of Liquidation, normally the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion of shareholding.



NOTES

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

The Company has not allotted any fully paid up shares pursuant to contract(s) without payment being received in cash. The Company has neither allotted any fully paid up shares by way of bonus shares nor has bought back any class of shares during the period of five years immediately preceding the balance sheet date.

(d) Dividend

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend. The remittance of dividends outside India is governed by Indian law on foreign exchange.

The amount of per share dividend recognized as distributions to equity shareholders during FY 2020-21 pertaining to FY 2019-20 amounted to ₹ 134.68 Lakhs have been shown as deduction from retained earning.

The Board of directors of the Company in their meeting held on 21st June, 2021 have proposed dividend of ₹ 0.80/- per share for the financial year ended 31st March, 2021 for the approval of shareholders.

(e) Employee Stock Option Scheme

During the year ended 31st March, 2021, 392250 Equity Shares of ₹ 10/- each were allotted to the eligible employees of the Company in pursuance of share option granted / vested and exercised by them at an exercise price of ₹ 10 each under amended ESOS-2017.

NOTE NO. 15

OTHER EQUITY

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
a. Capital Reserves		
As per last Balance Sheet	181.29	181.29
Add: Addition during the year	-	-
Less: Deduction during the year	-	-
	181.29	181.29
b. Securities Premium		
As per last Balance Sheet	5,144.05	4,791.70
Add: Addition during the year/ Transfer from Share based payment Reserve	132.50	352.35
Less: Deduction during the year	-	-
	5,276.56	5,144.05
c. Share Based Payment Reserve		
As per last Balance Sheet	132.50	345.65
Add: Addition during the year	-	81.90
Less: Deduction during the year	132.50	295.05
	-	132.50
d. Other Comprehensive Income		
As per last Balance Sheet	(5.81)	(14.89)
Add: Addition during the year		
Fair Value of Investments	(19.58)	2.11
Remeasurement (Losses)/ Gain on defined benefit Plan	13.83	6.97
Less: Deduction during the year	-	-
	(11.56)	(5.81)

NOTES

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
e. Retained Earnings		
As per last Balance Sheet	9,963.42	10,170.55
Less: Adjustment on account of transitional impact on adoption of Ind AS 116 (net of deferred tax)	-	75.39
Add: Profit for the year	1,509.11	188.25
Less: Appropriations:		
Dividend on Equity Shares	134.68	265.43
Tax on Dividend Distribution	-	54.56
	11,337.85	9,963.42
Total	16,784.14	15,415.45

NOTE NO. 16

BORROWINGS - NON CURRENT

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Secured, Term Loans from Banks:		
State Bank of India	466.67	-
Indian Bank	348.98	-
Vehicles Loans from Banks	85.05	95.66
	900.70	95.66
Less: Current maturities of long term debts (Refer note no. 25)	664.70	52.15
Total	236.00	43.51

a) Terms of Repayment of Terms Loans are as under:-

(₹ in Lakhs)

Particulars	Rate of interest p.a	Amount outstanding as at 31st Mar, 2021	Repayment Schedule		
			FY 2021-22	FY 2022-23	FY 2023-25
State Bank of India	7.40%	466.67	466.67	-	-
Indian Bank	7.80%	348.98	159.96	159.96	29.06
Vehicle Loans	8% to 10%	85.05	38.07	13.11	33.87
Total		900.70	664.70	173.07	62.93

(i) CCECL (Term Loan) from State Bank of India and Indian Bank are secured by way of Primary :

- a) Extension of First pari passu charge by way of hypothecation charge on entire current assets (present and future) of the Company.

Collateral:

- a. Extension of First pari passu charge by way of hypothecation charge on entire fixed assets (movable & immovable) of the Company both present & future including plant & machinery except vehicle financed by other banks.



NOTES

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

- b. Extension of First pari passu charge by way of equitable mortgage over factory land & building of the Company situated at A-1112 & A-1114, RIICO Industrial Area, Phase III, Bhiwadi Rajasthan and at E-538 & E-539A, RIICO Industrial Area, Chopanki, Rajasthan.

Guarantee :

- a. Personal Guarantee of whole time directors.

(ii) Vehicle loans from Banks are secured by hypothecation of respective vehicle.

NOTE NO. 17**LEASED LIABILITIES - NON CURRENT**

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Non-Current lease liabilities	505.86	658.20
Total	505.86	658.20

NOTE NO. 18**OTHER FINANCIAL LIABILITIES - NON CURRENT**

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Security Deposits	722.17	656.43
Deferred Interest Accrued on Security Deposit	21.34	72.84
Total	743.51	729.27

NOTE NO. 19**PROVISIONS - NON CURRENT**

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Provisions for Employee Benefits:		
Provisions for Gratuity	347.91	318.26
Provisions for Leave Encashment	68.25	81.65
Total	416.16	399.91

NOTE NO. 20**DEFERRED TAX LIABILITIES (NET)**

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Deferred tax liability:		
on Property, Plant and Equipment	973.12	975.53
on Unrealized Gain of Investment in PMS	49.39	-

NOTES

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Deferred tax assets:		
on Right of use Assets	39.73	37.08
on Fair value of Investments	89.59	76.77
on Unrealized Loss of Investment in PMS	-	25.63
on Employee Benefits	121.45	115.01
on Provision for Expected Credit Loss	226.84	157.57
on Other Items (Net)	2.80	2.63
Net Deferred Tax Liability	542.10	560.84

The Company estimates deferred tax credit/ (charge) using the substantively enacted rate of taxation on the impact of timing differences between financial statements and estimated taxable income.

(a) Movement in Deferred Tax Balances

In accordance with Ind AS - 12, the Company has accounted for deferred taxes during the year as under:

Following are the major components of Deferred Tax Liabilities and Deferred Tax Assets:

(₹ in Lakhs)

Particulars	As at 31st March, 2021					
	Net Balance (1st April, 2020)	Recognized in profit or (Loss)	Recognized in OCI	Net Deferred Tax	Deferred Tax Liability	Deferred Tax Assets
Property, plant and equipment	975.53	(2.41)	-	973.12	973.12	-
Right of use Assets	(37.08)	(2.65)	-	(39.73)	-	(39.73)
Employee Benefits - P&L	(104.93)	(11.09)	-	(116.02)	-	(116.02)
Employee Benefits - OCI	(10.08)	-	4.65	(5.43)	-	(5.43)
Unrealized gain/(Loss)	(25.63)	75.02	-	49.39	49.39	-
Investments	(76.77)	0.00	(12.82)	(89.59)	-	(89.59)
Provision for Expected Credit Loss	(157.57)	(69.27)	-	(226.84)	-	(226.84)
Other Items (Net)	(2.63)	(0.17)	-	(2.80)	-	(2.80)
Deferred Tax (Assets) / Liabilities	560.84	(10.57)	(8.17)	542.10	1,022.51	(480.41)

Particulars	As at 31st March, 2020						
	Net Balance (1st April, 2019)	Transition impact on adoption of Ind AS 116 (Refer Note No. 50)	Recognized in profit or (Loss)	Recognized in OCI	Net Deferred Tax	Deferred Tax Liability	Deferred Tax Assets
Property, plant and equipment	1,365.66	-	(390.13)	-	975.53	975.53	-
Right of use Assets	-	(40.50)	3.42	-	(37.08)	-	(37.08)
Employee Benefits - P&L	(129.34)	-	24.41	-	(104.93)	-	(104.93)
Employee Benefits - OCI	(12.42)	-	-	2.34	(10.08)	-	(10.08)
Unrealized gain/(Loss)	-	-	(25.63)	-	(25.63)	-	(25.63)
Investments - P&L	(72.25)	-	-	(4.51)	(76.77)	-	(76.77)
Provision for Expected Credit Loss	(161.83)	-	4.26	-	(157.57)	-	(157.57)
Other Items (Net)	(1.58)	-	(1.05)	-	(2.63)	-	(2.63)
Deferred Tax (Assets) / Liabilities	988.24	(40.50)	(384.73)	(2.17)	560.84	975.53	(414.69)



NOTES

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

NOTE NO. 21

A) TAX EXPENSES

The total tax expenses charged in Statement of Profit and Loss as under

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Current Tax	595.47	148.54
Deferred Tax	(10.57)	(384.73)
Income Tax of earlier years	1.96	3.09
Total	586.86	(233.10)

B) RECONCILIATION OF EFFECTIVE TAX RATE WITH TAX EXPENSE IN STATEMENT OF PROFIT AND LOSS

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Profit/(loss) before Tax	2,095.97	(44.85)
Applicable tax rate	25.17%	25.17%
Tax at the Indian tax rate of 25.168%	527.50	(11.28)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:	351.56	388.72
Tax effect of amounts which are deductible (non-taxable) in calculating taxable income:	(283.59)	(228.90)
Current tax (Normal Rate) (A)	595.47	148.54
Incremental Deferred tax Liability on timing Differences (Net)	(10.57)	(384.73)
Deferred Tax (B)	(10.57)	(384.73)
Tax Expenses for earlier year (net) (C)	1.96	3.09
Tax expenses recognized in the statement of profit and loss (A+B+C)	586.86	(233.10)
Effective Tax rate	28.00%	-

NOTE NO. 22

BORROWINGS - CURRENT

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Secured - Working Capital Loan from Bank:		
State Bank of India	6,383.26	8,276.32
Indian Bank	2,080.95	3,471.50
Total	8,464.21	11,747.82

Working Capital Loan from State Bank of India and Indian Bank are secured by way of Primary :

- First pari passu charge by way of hypothecation charge on entire current assets (present and future) of the Company.

Collateral :

- First pari passu charge by way of hypothecation charge on entire fixed assets (movable & immovable) of the Company both present & future including plant & machinery except vehicle financed by other banks.
- First pari passu charge by way of equitable mortgage over factory land & building of the Company situated at A-1112 & A- 1114, RIICO Industrial Area, Phase III, Bhiwadi Rajasthan and at E-538 & E-539A, RIICO Industrial Area, Chopanki, Rajasthan.

Guarantee :

- Personal Guarantee of whole time directors.

NOTES

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

NOTE NO. 23

LEASED LIABILITIES - CURRENT

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Current lease liabilities	152.34	165.34
Total	152.34	165.34

NOTE NO. 24

TRADE PAYABLES - CURRENT

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Total outstanding dues of Micro and Small Enterprises	1,775.60	1,649.77
Total outstanding dues of creditors other than Micro and Small Enterprises:		
- for Goods	6,626.06	7,767.00
- for Services	1,866.81	2,792.44
Total	10,268.47	12,209.21

a) Details of dues to Micro and Small Enterprises as per the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at 31st March, 2021	As at 31st March, 2020
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount	1,745.92	1,609.88
- Interest amount	29.68	39.89
- Total of (i) & (ii)	1,775.60	1,649.77
- The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
- The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under MSMED Act, 2006.	29.68	39.89
- The amount of interest accrued and remaining unpaid at the end of each accounting period	91.33	61.65
- The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	91.33	61.65

- b) The amount of interest due and payable for the year due to delay in making payment under Micro, Small and Medium Enterprise Development Act 2006 is ₹ 29.68 Lakhs.
- c) Dues to Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.



NOTES

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

NOTE NO. 25

OTHER FINANCIAL LIABILITIES - CURRENT

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Current maturities of long term debts (Refer note no. 16)	664.70	52.15
Payable for capital goods	317.09	389.03
Employee related liabilities	351.20	366.40
Deferred Interest on security received	50.12	45.80
Interest accrued	3.69	0.61
Unpaid Dividend	15.87	15.99
Total	1,402.67	869.98

NOTE NO. 26

OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Advance from customers	248.63	130.32
Statutory dues payable	589.04	763.72
Total	837.67	894.04

NOTE NO. 27

PROVISIONS - CURRENT

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Provisions for Employee Benefits:		
Provisions for Gratuity	57.92	46.62
Provisions for Leave Encashment	8.49	10.45
Total	66.41	57.07

NOTE NO. 28

REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Sale of Products:		
1. Sale of Manufactured Goods:		
(i) Steel Products	33,464.83	33,011.09
(ii) Paints Products	11,805.58	7,302.54
(iii) Power	112.42	132.19
2. Sale of Traded Goods:		
(i) Steel Products	132.66	30,534.45
(ii) Paints Products	8,142.77	11,465.41
(iii) Other Products	71.66	256.23
Income from Services:		
3. Royalty on:		
(i) Steel Products	8,533.37	9,415.52
(ii) Paints Products	258.84	261.80
Total	62,522.13	92,379.23

NOTES

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

- a) The disclosures required by Ind AS 115 are as under:

The Company disaggregates revenue based on nature of products. The revenue disaggregation for the year ended 31st March, 2021 is as under:

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Steel	33,597.49	63,545.54
Paint	19,948.35	18,767.95
Power	112.42	132.19
Royalty Income	8,792.21	9,677.32
Others	71.66	256.23
Total	62,522.13	92,379.23

b) (₹ in Lakhs)

Reconciliation of Revenue	Year ended 31st March, 2021	Year ended 31st March, 2020
Gross value of Contracted Price	69,393.49	99,616.51
Less: Variable Component like Discount, Credit notes for various schemes, etc.	6,871.36	7,237.28
Total	62,522.13	92,379.23

c) (₹ in Lakhs)

Reconciliation of Advance received from Customers	Year ended 31st March, 2021	Year ended 31st March, 2020
Balance at the beginning of the year	130.32	61.61
Less : Revenue recognized out of advance received from customers at beginning of year	74.71	38.60
Add : Advance received during the year from customers for which performance obligation is not satisfied and shall be recognized as revenue in next year	193.02	107.31
Balance at the end of the year	248.63	130.32

NOTE NO. 29

OTHER INCOME

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Interest Income:		
(i) Interest from Bank on Fixed Deposits	10.04	25.51
(ii) Interest Others	7.68	9.39
(iii) Interest components on measurement of financial assets/ liabilities at amortized cost (net)	6.99	7.08
Other non-operating Income:		
(i) Insurance Claims received	32.24	0.93
(ii) Bad Debts Recovered	-	20.05
(iii) Dividend Income	3.93	1.05
(iv) Miscellaneous Incomes	0.31	0.42
(v) Profit on Sale/discarding of Assets	1.38	-
(vi) Interest on Income Tax / Sales Tax Refund	4.12	-
(vii) Unrealized Gain on valuation of PMS measured at fair value through profit or loss	282.69	-
Total	349.38	64.43

**NOTES****FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021****NOTE NO. 30****COST OF MATERIALS CONSUMED**

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
a. Raw Materials		
Opening Stock	1,146.12	1,490.85
Add : Purchases	33,635.02	33,118.58
Less : Closing Stock	1,037.25	1,146.12
Total (a)	33,743.89	33,463.31
b. Cost of Packing Materials		
Opening Stock	255.11	290.50
Add : Purchases	1,388.43	1,204.45
Less : Closing Stock	338.54	255.11
Total (b)	1,305.00	1,239.84
Total (a+b)	35,048.89	34,703.15
Less : Raw Material & Packing Material lost in Fire transferred to Exceptional Items in Statement of Profit & Loss	-	1,110.62
Total	35,048.89	33,592.53

NOTE NO. 31**PURCHASES OF STOCK-IN-TRADE**

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Purchases	6,747.97	40,819.61
Total	6,747.97	40,819.61

NOTE NO. 32**CHANGES IN INVENTORY OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE**

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
a. Closing Stock		
Finished Goods	4,319.58	4,985.47
Stock in Process	20.24	44.17
Stock of Traded Goods	628.29	1,040.26
Waste, Scraps & Runner Risers	36.02	32.33
Total (a)	5,004.13	6,102.23
b. Opening Stock		
Finished Goods	4,985.47	3,336.20
Stock in Process	44.17	49.10
Stock of Traded Goods	1,040.26	219.00
Waste, Scraps & Runner Risers	32.33	8.88
Total (b)	6,102.23	3,613.18
(Increase)/Decrease in stocks (b-a)	1,098.10	(2,489.05)
Adjustment of Finished Goods lost in Fire transferred to Exceptional Items	-	873.65
Net (Increase)/Decrease in stocks	1,098.10	(3,362.70)

NOTES

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

NOTE NO. 33

EXCEPTIONAL ITEMS

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Raw Material & Packing Material lost in fire	-	1,110.62
Finished Goods lost in fire	-	873.65
GST Reversal on Raw Material and Others destroyed in fire	-	457.81
Property Plant & Equipment destroyed in fire & Non useable	-	1,841.60
Settlement amount of old show causes/demands under Excise and Service Tax under Sabka Vishwas (Legacy Dispute Resolution) scheme 2019	-	2,438.84
Write down of Insurance Claim Receivable (net)	1,003.37	-
Total	1,003.37	6,722.52
Income on account of Insurance Claim transferred to Exceptional Income (Refer note no. 52)	-	4,203.58
Total	1,003.37	2,518.94

NOTE NO. 34

EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Salary and Wages	4,494.11	4,615.07
Gratuity Expenses	79.27	77.63
Contribution to Provident Fund and Other Funds	174.82	190.53
Share Based Payments to Employees (net)	-	81.90
Staff Welfare Expenses	56.64	54.27
Total	4,804.84	5,019.40

NOTE NO. 35

FINANCE COSTS

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Interest on Loan	1,209.66	1,030.35
Interest Other	44.76	55.77
Interest on Lease Liability	74.98	84.29
Other Financial Charges	28.97	17.17
Interest on Income tax	0.46	2.61
Total	1,358.83	1,190.19

NOTE NO. 36
DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Depreciation on Property Plant and Equipment	690.41	676.32
Depreciation on Right of use Assets	175.88	161.92
Total	866.29	838.24

NOTE NO. 37
OTHER EXPENSES

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Consumption of Stores and Spares	250.73	337.93
Audit Fees	5.25	5.25
Advertisement	536.03	534.02
Bad Debts	110.56	169.40
Bank and Other Charges	35.94	31.83
Commision on Sales	536.42	589.63
Director Sitting Fees	17.61	11.15
Electricity and Water Expenses	11.04	18.22
Freight and Forwarding Expenses	2,130.98	2,009.04
Fuel Charges	803.16	1,042.50
Insurance Charges	77.21	58.47
IIFL PMS Expenses	16.24	0.98
Legal and Professional Charges	146.90	220.28
Office Maintenance Exp.	30.88	28.77
Postage and Courier Charges	12.41	19.89
Printing and Stationery	45.32	53.55
Provision for Expected Credit Loss (net of reversal of ₹ 110.56 Lakhs) (P.Y. ₹ 169.40 Lakhs)	275.24	162.95
Power Charges	1,707.87	1,904.35
Rates, Fee and Taxes	83.22	63.93
Short term Lease	123.84	124.06
Repair and Maintenance	574.36	636.18
Sales Promotion	1,791.19	2,995.13
Telephone Expenses	60.84	65.45
Travelling and Conveyance	361.40	575.39
Realized Loss on sale of PMS	6.17	7.70
Unrealized Loss on valuation of PMS measured at fair value through profit or loss	-	139.07
Vehicle Running and Maintenance	31.94	39.16
CSR Expenses	40.00	4.83
Donation	6.04	4.11
Loss on Discarded Assets	-	2.83
Miscellaneous Expenses	18.46	16.25
Total	9,847.25	11,872.29

NOTE NO. 38
PAYMENT TO THE AUDITORS

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Statutory audit fee	4.65	4.65
Tax audit fee	0.60	0.60
Total	5.25	5.25

NOTE NO. 39
EARNING PER SHARE (EPS)

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Basic and Diluted Earnings Per Share		
Profit after tax as per the Statement of Profit and Loss	1,509.11	188.25
No. of equity shares	2,69,35,500	2,65,43,250
Weighted Average No. of equity shares outstanding during the year	2,68,39,045	2,65,31,117
Basic Earning Per Share (₹)	5.62	0.71
Diluted Earning Per Share (₹)	5.62	0.70

NOTE NO. 40
THE COMPANY HAS INCURRED FOLLOWING EXPENDITURE ON RESEARCH AND DEVELOPMENT WHICH ARE INCLUDED IN THE RESPECTIVE HEADS OF EXPENSES.

(₹ in Lakhs)

Revenue Expenditure	Year ended 31st March, 2021	Year ended 31st March, 2020
Employee Cost	53.21	53.97
Testing and Laboratory Expenses	4.48	3.57
Vehicle Running Maintenance	4.17	3.01
Material Consumed	0.52	0.89
Total	62.38	61.44

NOTE NO. 41
DETAILS OF EXPENDITURE INCURRED ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES AND SHORT FALL IN SPENDING IN CSR:

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
On providing Food / vehicle for food distribution	13.45	-
On promotion of education including provision for scholarship	-	-
On welfare for disabled persons	-	-
On provision for sanitation	-	-
On Flood relief activity	-	-
On animal and environment protection	-	-
On making available safe drinking water	-	-
On promotion of health care	4.21	4.83

**NOTES****FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021**

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
On contribution to Kamdhenu Jeevandhara Foundation for carrying out Education & Skill development programme and also medical facilities on an on-going basis.	22.35	-
Total	40.01	4.83
Total amount to be spent on CSR activities in accordance with the provisions of section 135 of the Companies Act 2013.	39.34	49.32
Total spent amount	40.01	4.83
Unspent / (Excess spent) amount on CSR activities	(0.67)	44.49

NOTE NO. 42**CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)**

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
a. Contingent Liabilities		
(i) Claims against the Company not acknowledged as debt		
- Central Excise and Service Tax	305.00	305.00
- VAT and Entry Tax	74.18	84.36
(ii) Guarantees issued by Bank	2.00	2.00
	381.18	391.36
b. Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advance)	11.91	161.99
	11.91	161.99
Total (a+b)	393.08	553.35

NOTE NO. 43**THE DISCLOSURE OF EMPLOYEES BENEFITS AS DEFINED IN THE INDIAN ACCOUNTING STANDARD-19 "EMPLOYEE BENEFITS" ARE AS FOLLOWS:****A) DEFINED BENEFIT PLAN - GRATUITY (UNFUNDED)****I) Assumptions****a) Financial Assumptions**

- i) Discount Rate: The rate used to discount post-employment benefit obligations is determined by reference to market yields at the balance sheet date on government bonds. The currency and term of the government bonds is consistent with the currency and estimated term of the post-employment benefit obligations as under:

Particulars	As at 31st March, 2021	As at 31st March, 2020
Interest Rate for Discounting	6.70%	6.80%

NOTES

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

- ii) Salary Increase: Salary increase takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Particulars	As at 31st March, 2021	As at 31st March, 2020
Salary Increase Rate	5.00%	5.00%

b) Demographic Assumptions

Particulars	As at 31st March, 2021	As at 31st March, 2020
Retirement Age	58 yrs	58 yrs

Mortality: Indian Assured Lives Mortality (2012-14) ult. (IALM 2012-14). Rates at specimen ages are as shown below:

Age (Years)	Rates	Age (Years)	Rates
15	0.000698	60	0.011162
20	0.000924	65	0.015932
25	0.000931	70	0.024058
30	0.000977	75	0.038221
35	0.001202	80	0.061985
40	0.001680	85	0.100979
45	0.002579	90	0.163507
50	0.004436	95	0.259706
55	0.007513	100	0.397733

Indian Assured Lives Mortality (2012-14) ultimate table are used of calculations as on 31st March, 2020 and 31st March 2021.

Withdrawal: Withdrawal rates are for all causes in accordance with the following table:

Age	As at 31st March, 2021	As at 31st March, 2020
Up to 30 Years	4% per annum	4% per annum
31 to 45 Years	2% per annum	2% per annum
Above 45 Years	2% per annum	2% per annum

Disability: Leaving service due to disability is included in the provision made for withdrawals from service.

II) Method of Valuation

- Projected unit credit (PUC) actuarial method to assess the plan's liabilities allowing for retirements, deaths-in-service and withdrawals (Resignations / Terminations).
- Under the PUC method a projected accrued benefit is calculated at the beginning of the period and again at the end of the period for each benefit that will accrue for all active members of the plan. The projected accrued benefit is based on the plan accrual formula and service as at the beginning and end of the period, but using member's final compensation, projected to the age at which the employee is assumed to leave active service. The plan liability is the actuarial present value of the projected accrued benefits as on the date of valuation.

**NOTES****FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021****III) Summary of Membership Data**

Particulars	As at 31st March, 2021	As at 31st March, 2020
Number of Employees	858	854
Qualifying Monthly Salary for Gratuity Computation	135.77	137.12
Average Past Service	5.29 yrs	4.75 yrs
Average Age	37.31 yrs	36.81 yrs
Average Outstanding Service of Employees upto Retirement	20.69 yrs	21.19 yrs

IV) Summary of Key Results

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
a) Balance Sheet		
Present Value of Defined Benefit Obligation	405.83	364.88
Fair Value of Plan Assets	-	-
Restriction on Assets Recognized	-	-
Net Liability arising from Defined Benefit Obligation	405.83	364.88
b) Statement of Profit or Loss		
Defined Benefit Costs recognized in Profit or Loss	79.27	77.63
c) Remeasurements - Other Comprehensive Income (OCI)		
Remeasurements of the net defined benefit liability (asset)	(18.48)	(9.32)
d) Break-up of Defined Benefit Obligation at end of the year as per Schedule III to The Companies Act, 2013:		
Current Liability	57.92	46.62
Non-Current Liability	347.91	318.26
Total Defined Benefit Obligation at end of the year	405.83	364.88

V) Actuarial measurements may differ in future from the current measurements due to factors such as:

- Plan experience differing from that anticipated by the economic or demographic assumptions
- Changes in economic or demographic assumptions
- Changes in plan provisions or applicable law
- Significant events since last actuarial valuation

VI) Movements in the present value of the Defined Benefit Obligations

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Opening defined benefit obligation	364.88	325.63
Current Service Cost	54.46	52.89
Interest Cost	24.81	24.75
Remeasurement (gains)/ losses:		
- Actuarial (gains)/losses arising from changes in demographic assumptions	-	(0.17)
- Actuarial (gains)/losses arising from changes in financial assumptions	4.16	(8.48)
- Actuarial (gains)/losses arising from experience adjustments	(22.64)	(0.66)
- Other	-	-

NOTES

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

VI) Movements in the present value of the Defined Benefit Obligations

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Past service cost, including losses/(gains) on curtailments	-	-
Liabilities extinguished on settlements	-	-
Liabilities assumed in a business combination	-	-
Exchange differences on foreign plans	-	-
Benefit Paid	(19.85)	(29.07)
Others	-	-
Closing defined benefit obligation	405.83	364.88

VII) Movements in the fair value of the Plan Assets

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Opening fair value of plan assets	-	-
Interest Income	-	-
Remeasurement gain/(loss):	-	-
Return on plan assets (excluding amounts included in net interest expense)	-	-
Others	-	-
Contributions from the employer	-	-
Benefits paid	-	-
Other	-	-
Closing fair value of plan assets	-	-

VIII) Service Cost

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Current Service Cost	54.46	52.89
Past Service Cost including curtailment gains/losses	-	-
Gains or Losses on non routine settlements	-	-
Total	54.46	52.89

IX) Net Interest Cost (Income)

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Interest Cost on Defined Benefit Obligation	24.81	24.75
Interest Income on Plan Assets	-	-
Net Interest Cost (Income)	24.81	24.75

**NOTES****FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021****X) Remeasurement of Defined Benefits Liability/ (Assets) in Other Comprehensive Income** (₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Return on plan assets (excluding amounts included in net interest expense)	-	-
Actuarial (gains)/ losses arising from changes in demographic assumptions	-	(0.17)
Actuarial (gains)/ losses arising from changes in financial assumptions	4.16	(8.48)
Actuarial (gains)/ losses arising from experience adjustments	(22.64)	(0.66)
Other	-	-
Adjustments for restrictions on the defined benefit asset	-	-
Components of defined benefit costs recognized in other comprehensive income	(18.48)	(9.32)

XI) Amount recognized in the Statement of Profit and Loss (₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Service Cost	54.46	52.89
Net Interest Cost (Income)	24.81	24.75
Defined Benefit Cost recognized in statement of Profit or Loss	79.27	77.63

XII) The amount included in the Balance Sheet (₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Present value of defined benefit obligation	405.83	364.88
Fair value of plan assets	-	-
Funded status	(405.83)	(364.88)
Restrictions on asset recognized	-	-
Other	-	-
Net liability arising from defined benefit obligation	405.83	364.88

XIII) Illustration of the Component of Net Defined Benefit Obligation (₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Net defined benefit liability at the start of the period	364.88	325.63
Service Cost	54.46	52.89
Net Interest Cost (Income)	24.81	24.75
Remeasurements	(18.48)	(9.32)
Contribution paid to the Fund	-	-
Benefits paid directly by the enterprise	(19.85)	(29.07)
Net defined benefit liability at the end of the period	405.83	364.88

NOTES

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

XIV) Plan Assets - Category wise description

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
GOI Securities	-	-
PSU Bonds	-	-
State/ Central Guaranteed	-	-
Special Deposits	-	-
Private Sector	-	-
Asset Invested in Insurance Scheme with the Insurer	-	-

XV) Maturity Profile of Defined Benefit Obligation

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
a) Weighted Average duration of the defined benefit obligation	16 yrs	16 yrs
b) Duration of defined benefit obligation		
Duration (Years)		
1	57.92	46.62
2	10.68	15.27
3	11.27	9.57
4	9.01	10.02
5	25.61	8.85
Above 5	291.35	274.55
Total	405.83	364.88
c) Duration of defined benefit payments		
Duration (Years)		
1	59.83	48.18
2	11.77	16.85
3	13.25	11.29
4	11.30	12.62
5	34.28	11.90
Above 5	826.50	791.50
Total	956.95	892.33

XVI) Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

**NOTES****FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021**

- a) **Changes in Defined benefit obligation due to 1% Increase/Decrease in Discount Rate, if all other assumptions remain constant.**

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
a) Defined benefit obligation	405.83	364.88
b) Defined benefit obligation at 1% Increase in Discount rate	367.20	329.24
c) Defined benefit obligation at 1% Decrease in Discount rate	451.50	407.11
d) Decrease in Defined benefit obligation due to 1% increase in discount rate (a-b)	38.63	35.65
e) Increase in Defined benefit obligation due to 1% decrease in discount rate (c-a)	45.67	42.22

- b) **Changes in Defined benefit obligation due to 1% Increase/Decrease in Expected rate of Salary Escalation, if all other assumptions remain constant.**

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
a) Defined benefit obligation	405.83	364.88
b) Defined benefit obligation at 1% Increase in Expected Salary Escalation rate	451.83	407.45
c) Defined benefit obligation at 1% Decrease in Expected Salary Escalation rate	366.28	328.36
d) Increase in Defined benefit obligation due to 1% increase in Expected Salary Escalation rate (b-a)	46.00	42.57
e) Decrease in Defined benefit obligation due to 1% decrease in Expected Salary Escalation rate (a-c)	39.55	36.53

XVII) Defined Benefit Obligation for Gratuity Benefit for Key Management Personnel

(₹ in Lakhs)

Key Management Personnel	As at 31st March, 2021	As at 31st March, 2020
Mr. Harish Kumar Agarwal	12.85	11.76
Mr. Jogeswar Mohanty	-	2.58

XVIII) Risks associated with Plan Provisions

Risks associated with the plan provisions are actuarial risks. These risks are: (i) investment risk, (ii) interest risk (discount rate risk), (iii) mortality risk and (iv) salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to Government Bonds Yield. If plan liability is funded and return on plan assets is below this rate, it will create a plan deficit.
Interest risk (discount rate risk)	A decrease in the bond interest rate (discount rate) will increase the plan liability
Mortality risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants. For this report we have used Indian Assured Lives Mortality (2012-14) ultimate table. A change in mortality rate will have a bearing on the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

NOTES

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

B) LEAVE ENCASHMENT

The provision for leave encashment based on actuarial valuation has been included in provisions - current and non-current and does not require disclosure as mentioned in para 158 of Ind AS 19.

NOTE NO. 44

The Company makes contribution to Statutory Provident Fund in accordance with Employees Provident Funds and Miscellaneous Provisions Act 1952. This is the post employment benefit and is in the nature of defined contribution plan. The total amount contributed to provident fund during the financial year is ₹159.56 Lakhs (previous year ₹172.70 Lakhs) and is included in Note no. 34 "Employees Benefit expenses".

NOTE NO. 45

FINANCIAL RISK MANAGEMENT

The Company's activities expose it to variety of financial risks viz. commodity price risk, credit risk, liquidity risk and capital risk. These risks are managed by the senior management of the Company supervised by the Board of Directors to minimize potential adverse effects on the financial performance of the Company.

i) Commodity Risk

Demand/supply risk are inherent in the prices of Ingot/Billet, the main raw material and also the prices of TMT bar, the main product in Steel segment. The requirement of raw material is sourced on spot basis so as to float with fluctuations in the market and to guard against price volatility. The Company has also linked its sales to raw material prices so that the Company has adequate cushion to protect its margin in the event of any increase/decrease in raw material costs. The main raw material in paint segment is Alkyd Resin/Titanium Dioxide and its prices fluctuates based on change in international crude oil prices. In Paints segment, the volatility in final product prices is dependent on market forces.

ii) Credit Risk

Credit risk from cash and cash equivalents and bank deposits is considered immaterial in view of the credit worthiness of the banks, the Company works with. The Company has specific policies for managing customer credit risk on an ongoing basis; these policies factor in the customer's financial position, past experience and other customer specific factors.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company makes provision for doubtful debt or writes off when a debtor fails to make contractual payments based on provisioning matrix. When loans or receivables have either been provided for or written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. When recoveries are made, these are recognized in Statement of Profit and Loss. The Company has followed Expected Credit Loss (ECL) model to provide for provision for ECL allowance.

The Company do not envisage any financial difficulties resulting in additional credit risk higher than usual credit terms due to COVID-19 outbreak and allowance for expected credit loss is not estimated to exceed the amount already created in books of accounts. The Company has invested in Portfolio Management Scheme with reputed asset management company and do not foresee any credit risk.

iii) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash and another financial asset. The Company's approach to managing liquidity is to ensure as far as possible that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed condition, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of surplus funds, bank overdrafts, bank loans. The Company considers liquidity risk as low risk.



NOTES

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

iv) Interest Rate Risk

Interest rate is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rate. The Company has taken term loan and working capital limits from bank which has considered as variable rate borrowing. The detail of gross borrowings and interest rate sensitivity of borrowing is as under:-

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Fixed rate borrowings	85.05	95.66
Variable rate borrowings	9,279.86	11,747.82
Total Borrowings	9,364.91	11,843.48

The impact on profit before tax of change in 50 basis points on variable rate borrowings are as under:-

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Increase in 50 basis point	(46.40)	(58.74)
Decrease in 50 basis point	46.40	58.74

v) Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

(₹ in Lakhs)

31st March, 2021	CONTRACTUAL CASH FLOWS				
	Carrying amount	Within 1 year	1-2 years	2-5 years	More than 5 years
Borrowings:					
Vehicle Loan	85.05	38.07	13.11	33.87	-
Covid Term Loan	815.65	626.63	189.02		
Working Capital	8,464.21	8,464.21			
Leased Liabilities	658.20	152.34	134.76	371.10	
Trade Payables	10,268.47	10,268.47			
Other financial liabilities	1,481.48	737.97	743.51		

(₹ in Lakhs)

31st March, 2020	CONTRACTUAL CASH FLOWS				
	Carrying amount	Within 1 year	1-2 years	2-5 years	More than 5 years
Borrowings:					
Vehicle Loan	95.66	52.15	14.19	29.32	
Working Capital	11,747.82	11,747.82			
Leased Liabilities	823.54	165.34	152.34	505.86	
Trade Payables	12,209.21	12,209.21			
Other financial liabilities	1,547.10	817.83	729.27		

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FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

vi) Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Company monitors capital using gearing ratio which is net debt divided by total equity. The Company's net debts includes interest and non interest bearing loans less cash and bank balances.

The Company's net debt to Equity ratio is as under:

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Total Bank Borrowings	9,364.91	11,843.48
Less: Cash and Cash Equivalents	235.97	265.03
Adjusted net debt	9,128.94	11,578.45
Total Equity	19,477.69	18,069.78
Adjusted net debt to total equity	46.87%	64.08%

The Company's total owned funds of ₹ 19477.69 Lakhs is considered adequate by the management to meet its business interest and any capital risk it may face in future.

vii) Foreign Exchange Risk

The Company do not have any foreign currency exposure, hence no foreign currency risks.

NOTE NO. 46

FINANCIAL INSTRUMENTS: ACCOUNTING CLASSIFICATION, FAIR VALUE MEASUREMENTS

(₹ in Lakhs)

31st March, 2021	Carrying Value	Classification			Fair Value		
		FVTPL	FVTOCI	Amortized Cost	Level 1	Level 2	Level 3
Financial Assets:							
Investment in Subsidiary	4.04			4.04			
Investment Other	852.43	617.23	235.20	-	617.23		235.20
Loans	51.27			51.27			
Other Financial Assets	2,907.30			2,907.30			
Trade Receivable	19,950.55			19,950.55			
Cash and cash equivalents	235.97			235.97			
Other Bank Balances	172.19			172.19			

(₹ in Lakhs)

31st March, 2021	Carrying Value	Classification			Fair Value		
		FVTPL	FVTOCI	Amortized Cost	Level 1	Level 2	Level 3
Financial Liabilities:							
Borrowings	9,364.91			9,364.91			
Leased Liabilities	658.20			658.20			
Trade Payables	10,268.47			10,268.47			
Other Financial Liabilities	1,481.48			1,481.48			

**NOTES****FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021**

(₹ in Lakhs)

31st March, 2020	Carrying Value	Classification			Fair Value		
		FVTPL	FVTOCI	Amortized Cost	Level 1	Level 2	Level 3
Financial Assets:							
Investment in Subsidiary	3.04			3.04			
Investment Other	620.90	353.30	267.60	-	353.30		267.60
Loans	48.38			48.38			
Other Financial Assets	4,510.60			4,510.60			
Trade Receivable	21,211.20			21,211.20			
Cash and cash equivalents	265.03			265.03			
Other Bank Balances	225.79			225.79			

(₹ in Lakhs)

31st March, 2020	Carrying Value	Classification			Fair Value		
		FVTPL	FVTOCI	Amortized Cost	Level 1	Level 2	Level 3
Financial Liabilities:							
Borrowings	11,843.48			11,843.48			
Leased Liabilities	823.54			823.54			
Trade Payables	12,209.21			12,209.21			
Other Financial Liabilities	1,547.10			1,547.10			

NOTE NO. 47**A) OPERATING SEGMENT**

Operating segments are established on the basis of those components that are evaluated regularly by the Management in deciding how to allocate resources and in assessing performance. The Company is principally engaged in two business segment viz., Steel and Paint.

The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with following additional policies for segment reporting:

- Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".
- Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

Particulars	As at 31st March, 2021	As at 31st March, 2020
Segment Revenue		
- Steel	42,314.94	73,349.48
- Paints	20,207.19	19,029.75
Gross Revenue from Operations	62,522.13	92,379.23
Segment Results		
- Steel	5,795.66	2,810.83
- Paints	(1,492.42)	(479.84)
Profit/(Loss) before finance cost, Tax and unallocable items	4,303.23	2,330.99

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Particulars	As at 31st March, 2021	As at 31st March, 2020
Less: Finance cost	1,358.83	1,190.19
Less: Other Unallocable Expenditure net of Income	848.44	1,185.65
Total Profit / (loss) before Tax	2,095.97	(44.85)
Segment Assets		
- Steel	20,763.20	22,305.59
- Paints	21,044.03	22,845.86
- Unallocable	1,305.86	1,253.52
Total Segment Assets	43,113.09	46,404.97
Segment Liabilities		
- Steel	7,318.41	10,257.86
- Paints	15,774.90	17,516.50
- Unallocable	542.09	560.83
Total Segment Liabilities	23,635.40	28,335.19

B) INFORMATION ABOUT GEOGRAPHICAL AREAS

The following information discloses revenue from external customers based on geographical area.

- i) Revenue from external customers (net of discounts, credit notes, etc.)

(₹ in Lakhs)

India	62,522.13	92,379.23
Outside India	-	-

- ii) None of the non-current assets are located outside India.

- iii) Revenue from transactions with a single external customer amounting to 10% or more of the Company is as under

Particulars	As at 31st March, 2021	As at 31st March, 2020
No. of customers	-	1
Amount (₹ in Lakhs)	-	14,153.77

NOTE NO. 48

RELATED PARTY DISCLOSURES

Related party disclosures as required by Indian Accounting Standard (Ind AS) -24 is as under:

A. Related Parties and their Relationship

Nature of Relationship	Name of Related Party
Key Management Personnel	Sh. Satish Kumar Agarwal, Chairman & Managing Director Sh. Sunil Kumar Agarwal, Whole Time Director Sh. Saurabh Agarwal, Whole Time Director Sh. Sachin Agarwal, Whole Time Director Sh. Harish Kumar Agarwal-Chief Financial Officer Sh. Jogeswar Mohanty-Company Secretary till 30th November, 2020 Sh. Ashish Kapil-Company Secretary from 16th January, 2021 To 3rd April, 2021
Other	Ms. Somya Agarwal (D/o Sh. Sunil Kumar Agarwal - Whole Time Director)
Subsidiary Company	Kamdhenu Ventures Limited
Step Subsidiary Company	Kamdhenu Colour and Coatings Limited



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B. Disclosure of Transactions with Related Parties, as required by Ind AS 24 'Related Party Disclosure' is given below:

(₹ in Lakhs)

Remuneration/Perquisites	Year ended 31st March, 2021	Year ended 31st March, 2020
Short-term employee benefits to Key Managerial Personnel		
Sh. Satish Kumar Agarwal, Chairman & Managing Director	144.54	150.79
Sh. Sunil Kumar Agarwal, Whole Time Director	142.17	147.79
Sh. Saurabh Agarwal, Whole Time Director	138.79	144.79
Sh. Sachin Agarwal, Whole Time Director	138.79	144.79
Sh. Harish Kumar Agarwal-Chief Financial Officer	34.44	35.06
Sh. Jogeswar Mohanty-Company Secretary	8.39	13.29
Sh. Ashish Kapil- Company Secretary	4.61	-
Total	611.73	636.52
Defined Benefit Obligation - Gratuity		
Sh. Harish Kumar Agarwal-Chief Financial Officer	12.85	11.76
Sh. Jogeswar Mohanty-Company Secretary	-	2.58
Total	12.85	14.35
Share Based Payment- ESOS		
Sh. Harish Kumar Agarwal-Chief Financial Officer	19.00	20.81
Sh. Jogeswar Mohanty-Company Secretary	3.80	4.16
	22.80	24.97
Director Sitting Fee		
Sh. Mahendra Kumar Doogar, Independent Director	5.20	3.65
Sh. Ramesh Chand Jain, Independent Director	2.80	1.20
Sh. Ramesh Chandra Surana, Independent Director	5.01	3.50
Mrs. Nishal Jain, Independent Director	4.60	2.80
Total	17.61	11.15
C. Others Transactions		
Ms. Somya Agarwal - Employee Benefits (D/o Sh. Sunil Kumar Agarwal - Whole Time Director)	27.45	28.65
Total	27.45	28.65

NOTE NO. 49

EMPLOYEES STOCK OPTION SCHEME

The Company had formulated "Kamdhenu Employee Stock Option Scheme, 2017" (ESOS-2017) which was initially approved by the Board of Directors on 20th April, 2017 and thereafter approved by the Shareholders on 5th June, 2017. The Company has got approval of the ESOS-2017 from NSE and BSE on 9th January, 2018 and 19th January, 2018 respectively. The Company, in the meeting of its Nomination & Remuneration Committee held on 29th January, 2018, granted 6,15,000 options at a price of ₹ 50/- per option, which is equal to one share of ₹ 10/-, to the employees of the Company based on the criteria set by the Committee. By virtue of ESOS-2017, employees can vest their right to exercise in four years i.e. 25% each year commencing from the end of the one year from the date of option granted. The exercise period commences from the date of vesting of the option and expires at the end of three months from the date of such vesting. During the year ended 31st March, 2019, 143250 share option got vested and 30750 share option got forfeited/ lapsed. During the year ended 31st March, 2020 following major amendments done in ESOS-2017.

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FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

S. No.	Particular	Major Terms of Original ESOS-2017	Variation done during FY 2019-20 by way of Amendment
1	Exercise Period	3 Year from the respective date of each vesting as per vesting schedule in pursuance of this ESOS 2017	Six month from the date of completion of 2 year from the date of option originally granted
2	Vesting Schedule	FY 2018-19	1,53,750 Shares (25%)
		FY 2019-20	1,53,750 Shares (25%)
		FY 2020-21	1,53,750 Shares (25%)
		FY 2021-22	1,53,750 Shares (25%)
3	Exercise Price	50 ₹ Per Share	10 ₹ Per Share

The above amendments including few others carried out in Kamdhenu Employee Stock Option Scheme, 2017 was approved by Nomination & Remuneration committee and Board of Directors in their meeting held on 31st January, 2020 and also by shareholders of the Company through postal ballot on 18th March, 2020

Accordingly, 3,92,250 equity shares (net of lapses & forfeited) got vested itself on 18th March, 2020 during the year ended 31st March, 2020.

No options under the aforesaid scheme are pending.

3,92,250 Equity shares of ₹ 10/- each vested in FY 2019-20 were allotted to eligible employees during FY 2020-21 on 29th June, 2020.

NOTE NO. 50

The Ministry of Corporate Affairs (MCA) through Companies (Indian Accounting Standard) Amendment Rules 2019 and Companies (Indian Accounting Standard) Second Amendment Rules has notified Ind AS 116 'leases' which replaces existing lease standard, Ind AS 17 Leases and other Interpretation. Ind AS 116 sets out the principles for recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single on balance sheet lease accounting model for lessees.

The Company has adopted Ind AS 116 effective annual reporting period beginning from 1st April, 2019 and applied the standard to its leases retrospectively with the cumulative effect of initially applying the standard, recognized on the date of initial application (1st April, 2019). The cumulative effect of initially applying standard has been recognized as an adjustment to opening balance of retained earnings as on 1st April, 2019.

On application of Ind AS 116, the nature of expense 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 detail of right of use asset held by the Company is as follows:

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Building		
Opening Balance of Right of use assets	676.21	738.68
Addition in Right of use assets during the year ended	-	99.45
Amortization of Right of use assets	(175.88)	(161.92)
Balance of Right of use assets	500.33	676.21

Depreciation on right of use asset is ₹ 175.88 Lakhs and interest on lease liability for year ended 31st March, 2021 is ₹ 74.98 Lakhs

Lease Contracts entered by the Company majorly pertains to building taken on lease to conduct the business activities in ordinary course.



NOTES

FORMING AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

Impact of Covid-19

The leases that the Company has entered with lessors towards properties used as corporate office/office are long term in nature and no changes in terms of those leases are expected due to Covid-19.

The following is breakup of Current and Non-Current Lease Liability as at 31st March, 2021.

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Current lease liability	152.34	165.34
Non-Current lease liability	505.86	658.20
Total	658.20	823.54

The following is movement in Lease Liability during the year ended 31st March, 2021:

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Balance at the beginning of the year	823.54	854.55
Addition during the year	-	99.45
Finance cost accrued during the year	74.98	84.29
Deletion	-	-
Payment of lease liability and Interest there on	240.32	214.76
Balance at the end of the year	658.20	823.54

The table below provides details regarding the Contractual Maturities of Lease Payment as at 31st March, 2021 on an Undiscounted basis:

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Less than one year	210.87	240.33
One to five year	597.26	808.13

The Company do not foresee Liquidity Risk with regard to its Lease Liabilities as the Current Assets are Sufficient to meet the obligation related to Lease Liability as and when they fall due.

NOTE NO. 51

The Board of Directors and Shareholders of the Company in their meetings held on 31st January, 2020 and 18th March, 2020 respectively have approved the Scheme of Arrangements including de-merger of paint business into a separate company considering the 1st April, 2020 as appointed date. The Company also received in-principal approval from Stock Exchanges NSE and BSE, where the shares of the Company are listed, on 28th September, 2020. The paint business of the Company will be de-merged into Kamdhenu Colour and Coating Limited, a wholly owned subsidiary company of Kamdhenu Ventures Limited, which shall have identical shareholding and shall be independently listed through scheme of arrangement on the said Stock Exchanges. As on date, Kamdhenu Ventures Limited is also a wholly owned subsidiary company of Kamdhenu Limited and Kamdhenu Colour and Coatings Limited has become the step down subsidiary of Kamdhenu Limited. The Company has already filed Scheme of Arrangement with Honourable NCLT, Chandigarh on 18th March, 2021 for its approval. The necessary accounting relating to de-merger of Paint Business in the financial statements shall be carried out in the year of its approval by the competent authorities of such Scheme of Arrangement and filing of necessary documents with Registrar of Companies, accordingly the audited financial statements for the year ended 31st March, 2021 do not reflect the impact on account of scheme.

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NOTE NO. 52

During the financial year ended 31st March, 2020, the Company accounted for insurance claim receivable of ₹ 4203.58 Lakhs on account of Fire at Paint Factory of the Company on mid night of 27-28th April, 2019 and shown the same as "Exceptional Item" after netting off amount of loss of fire of ₹ 4283.68 Lakhs. The insurance company during FY 2020-21 was in the process of evaluating claim amount and based on its interim assessment, out of such insurance claim recoverable, an amount of ₹ 1003.36 Lakhs (net) is likely to be deducted, accordingly the Company have written off ₹ 1003.36 Lakhs and shown as "Exceptional Item". An amount of ₹ 557.21 Lakhs out of Insurance claim recoverable had already been received in FY 2020-21 including salvage disposal of ₹ 57.21 Lakhs and balance amount is expected to be realized in the current financial year.

NOTE NO. 53

The Company continues to monitor the impact of COVID 19 on its business including its impact on customers, supply chain etc. Due care has been exercised on significant accounting judgement and estimates including in relation to recoverability of receivables, inventory and other financial assets based on information available to date while preparing the Company's financial statements for the FY 2020-21.

NOTE NO. 54

The Ministry of Corporate Affairs (MCA) notifies new Indian Accounting Standards or amendments there to. There is no such notification which would have been applicable from 1st April, 2021.

NOTE NO. 55

DISCLOSURE IN ACCORDANCE WITH REQUIREMENTS UNDER IND AS-10 EVENT AFTER THE REPORTING DATE:

The Board of Directors of the Company have recommended dividend of ₹ 0.80/- per share for the financial year ended 31st March, 2021 for the approval of shareholders. The actual dividend outgo will be dependant on share capital outstanding as on record date.

NOTE NO. 56

Previous years figures have been regrouped, rearranged or reclassified, whenever necessary to confirm the current year's classification.

As per our report of even date attached

For B S D & CO.

Chartered Accountants
Firm Registration No. 000312S

(Surendra Khinvasra)

Partner
Membership No. 070804

Date : 21st June, 2021

Place : Gurgaon

For and on behalf of board of directors

(Satish Kumar Agarwal)

Chairman & Managing Director
DIN: 00005981

(Harish Kumar Agarwal)

Chief Financial Officer

(Sunil Kumar Agarwal)

Whole Time Director
DIN: 00005973

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KAMDHENU LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying consolidated financial statements of **KAMDHENU LIMITED** ("the Holding Company") and its subsidiary company incorporated in India (the Company and its subsidiary together referred to as "the Group") as per list annexed, which comprise the Consolidated Balance Sheet as at March 31, 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2021, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the basis for opinion section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	How the Key Audit Matter was addressed:
During the financial year ended 31st March, 2020, the company accounted for insurance claim receivable of ₹ 4203.58 lakhs on account of Fire at Paint Factory of the company on mid night of 27-28th April, 2019 and shown the same as "Exceptional Item" after netting off amount of loss of fire of ₹ 4283.68 lakhs. The insurance company during FY 2020-21 was in the process of evaluating claim amount and based on its interim assessment, out of such insurance claim recoverable, an amount of ₹ 1003.36 lakhs (net) is likely to be deducted, accordingly the company have written off ₹ 1003.36 lakhs and shown as "Exceptional Item". An amount of ₹ 557.21 lakhs out of Insurance claim recoverable had already been received in FY 2020-21 including salvage disposal of ₹ 57.21 lakhs and balance amount is expected to be realised in the current financial year.	Our Audit procedures with regard to writing off of ₹ 1003.36 lakhs included reviewing of insurance claim correspondence with Insurance Company and also discussions with the company officials and insurance advisor in this regard.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this Auditor report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of consolidated financial statements by the directors of Holding company.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management

either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the holding Company and its subsidiary companies which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material



uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance of holding company and subsidiary company incorporated in India included in financial statement of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may

reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors of the holding Company as on March 31, 2021 taken on record by the Board of Directors of the holding Company, and of subsidiary company incorporated in India, none of the directors of the holding Company and its subsidiary company incorporated in India is disqualified as on March 31, 2021 from being

appointed as a director in terms of Section 164 (2) of the Act.

- f) With respect to the adequacy and the operating effectiveness of the internal financial control over financial reporting with reference to these consolidated financial statements of the Holding company and its subsidiary company incorporated in India, refer to our separate report in annexure 1 to this report.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us

- i. The consolidated financial statements discloses impact of pending litigations on the consolidated financial position of the Group.
- ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the holding Company and subsidiary company incorporated in India.

For **BSD & Co.**

Chartered Accountants

Firm's registration number: 000312S

Surendra Khinvasra

Partner

Membership number: 070804

UDIN: 21070804AAAAAT4817

Place: Gurgaon

Date: 21st June, 2021



ANNEXURE - A TO THE AUDITORS' REPORT

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March 2021, we have audited the internal financial controls over financial reporting of **Kamdhenu Limited** ("the Holding Company") as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Board of Directors of the Holding Company incorporated in India, and of subsidiary company incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating

effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future

periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Holding Company and its subsidiary company incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential

components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **BSD & Co.**
Chartered Accountants
Firm's registration number: 000312S

Surendra Khinvasra
Partner
Membership number: 070804
UDIN: 21070804AAAAAT4817

Place: Gurgaon
Date: 21st June, 2021

ANNEXURE I: LIST OF ENTITIES CONSOLIDATED AS AT MARCH 31, 2021

- | |
|--|
| 1. Kamdhenu Ventures Limited (Consolidated)- Wholly owned Subsidiary |
|--|



CONSOLIDATED BALANCE SHEET

AS AT 31ST MARCH, 2021

(₹ in Lakhs)

Particulars	Note No	As at 31st Mar, 2021	As at 31st Mar, 2020
ASSETS			
1. Non-Current Assets			
(a) Property, Plant and Equipment	1	8,575.94	7,940.02
(b) Capital Work in Process	1	75.52	112.32
(c) Right of Use Assets	1	500.33	676.21
(d) Goodwill on consolidation		0.83	0.83
(e) Financial Assets			
(i) Investment in subsidiary	2	1.00	-
(ii) Other Investment	2	235.20	267.60
(iii) Loans	3	8.60	-
(iv) Other Financial Assets	4	296.59	287.64
(f) Other Non-Current Assets	5	1,113.23	1,089.63
Total Non-Current Assets		10,807.24	10,374.25
2. Current Assets			
(a) Inventories	6	6,728.67	7,824.21
(b) Financial Assets			
(i) Investment	7	617.23	353.30
(ii) Trade Receivables	8	19,950.55	21,211.20
(iii) Cash and Cash Equivalents	9	237.96	267.76
(iv) Bank Balances other than (iii) above	10	172.19	225.79
(v) Loans	11	42.67	48.38
(vi) Other Financial Assets	12	2,610.91	4,223.83
(c) Other Current Assets	13	1,945.65	1,876.97
Total Current Assets		32,305.83	36,031.44
Total Assets		43,113.07	46,405.69
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	14	2,693.55	2,654.33
(b) Other Equity	15	16,781.69	15,414.50
Total Equity		19,475.24	18,068.83
Liabilities			
1. Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	236.00	43.51
(ii) Lease Liabilities	17	505.86	658.20
(iii) Other Financial Liabilities	18	743.52	729.27
(b) Provisions	19	416.16	399.91
(c) Deferred Tax Liabilities (Net)	20	542.08	560.84
Total Non-Current Liabilities		2,443.62	2,391.73
2. Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	22	8,466.21	11,748.82
(ii) Lease Liabilities	23	152.34	165.34
(iii) Trade Payables	24		
- total outstanding dues of micro enterprises and small enterprises		1,775.60	1,649.77
- total outstanding dues of creditors other than micro enterprises and small enterprises		8,493.31	10,560.11
(iv) Other Financial Liabilities	25	1,402.67	869.98
(b) Other Current Liabilities	26	837.67	894.04
(c) Provisions	27	66.41	57.07
Total Current Liabilities		21,194.21	25,945.13
Total Liabilities		23,637.83	28,336.86
Total Equity and Liabilities		43,113.07	46,405.69

Significant Accounting Policies

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date attached

For and on behalf of board of directors

For B S D & CO.

Chartered Accountants

Firm Registration No. 000312S

(Surendra Khinvasra)

Partner

Membership No.070804

Date : 21st June, 2021

Place : Gurgaon

(Satish Kumar Agarwal)

Chairman & Managing Director

DIN: 00005981

(Harish Kumar Agarwal)

Chief Financial Officer

(Sunil Kumar Agarwal)

Whole Time Director

DIN: 00005973

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Lakhs)

Particulars	Note No.	Year ended 31st March, 2021	Year ended 31st March, 2020
I Revenue from Operations	28	62,522.13	92,379.23
II Other Income	29	349.38	64.43
III Total Income (I+II)		62,871.51	92,443.66
IV Expenses:			
Cost of Materials Consumed	30	35,048.89	33,592.53
Purchases of Stock-in-Trade	31	6,747.97	40,819.61
Changes in Inventory of Finished Goods, Work-in-Progress and Stock-in-Trade	32	1,098.10	(3,362.70)
Employee Benefits Expense	34	4,804.84	5,019.40
Finance Costs	35	1,358.83	1,190.19
Depreciation & Amortization Expense	36	866.29	838.24
Other Expenses	37	9,848.76	11,873.26
Total Expenses (IV)		59,773.68	89,970.53
V Profit before exceptional items and tax (III-IV)		3,097.83	2,473.13
VI Exceptional Items	33	1,003.37	2,518.94
VII Profit/(Loss) before tax (V-VI)		2,094.46	(45.81)
VIII Tax Expenses:	21		
(1) Current Tax		595.47	148.54
(2) Deferred Tax		(10.59)	(384.73)
(3) Income Tax of earlier years		1.96	3.09
Total Tax Expenses (VIII)		586.84	(233.10)
IX Profit for the year after Tax (VII-VIII)		1,507.62	187.29
X Other Comprehensive Income:			
A. Items that will not be reclassified to profit or loss:			
(i) Fair Value of Investments in Equity		(32.40)	(2.40)
(ii) Actuarial (Losses)/ Gain on defined benefit plans		18.48	9.32
(iii) Tax impact on above		8.17	2.17
XI Total Comprehensive Income for the year (IX+X)		1,501.87	196.38
Profit for the year attributable to:			
Equity holders of the parent		1,507.62	187.29
Non-controlling interests			
Total Comprehensive Income for the year attributable to:			
Equity holders of the parent		1,501.87	196.38
Non-controlling interests			
XII Earnings per equity share of face value of ₹10 each	39		
Basic (In Rupees)		5.62	0.71
Diluted (In Rupees)		5.62	0.70

Significant Accounting Policies

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date attached

For and on behalf of board of directors

For B S D & CO.

Chartered Accountants
Firm Registration No. 000312S

(Satish Kumar Agarwal)

Chairman & Managing Director
DIN: 00005981

(Sunil Kumar Agarwal)

Whole Time Director
DIN: 00005973

(Surendra Khinvasra)

Partner
Membership No.070804

(Harish Kumar Agarwal)

Chief Financial Officer

Date : 21st June, 2021

Place : Gurgaon



CONSOLIDATED STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) Before Tax	2,094.46	(45.81)
Non cash adjustment to Profit Before Tax:		
Interest Income	(17.72)	(34.90)
Depreciation and amortization	866.29	838.24
Goodwill on Consolidation	-	(0.83)
Interest Expenses	1,358.83	1,190.19
Share Based Payments to Employees	-	81.90
Remeasurement of the Defined Benefit Plan	44.07	60.61
Write down Insurance Claim	1,003.37	-
Loss/ (Gain) on disposal of Property, Plant and Equipment	(1.38)	2.83
Unrealized Loss/(Gain) on valuation of PMS measured at fair value(net)	(263.93)	146.70
Ind AS adjustment for Fair Value of Rent & Security Deposit	(6.99)	(7.08)
Provision for Expected Credit Loss	275.24	162.95
Operating profit before working capital changes	5,352.24	2,394.80
Net Change in		
Inventories	1,095.54	(4,039.22)
Trade Receivables	1,007.33	916.03
Other Bank Balances	53.60	(12.57)
Other Financial Assets	584.74	58.60
Other Current Assets	(68.68)	455.03
Other Non Current Assets	(23.60)	(742.30)
Trade Payables	(1,940.97)	1,147.42
Other Current Financial Liabilities	(400.52)	12.15
Other Current Liabilities	(56.37)	(205.87)
Other Non-Current Financial Liabilities	14.06	(82.59)
Cash Used from Operation		
Income Taxes paid (net)	(597.43)	(156.64)
Net Cash Flow from Operating Activities (A)	5,019.95	(255.16)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Payment for acquisition of Property, Plant and Equipment & Capital WIP	(973.65)	(1,479.36)
Payment for investment in PMS-IIFL	-	(500.00)
Payment for investment in Equity shares of Kamdhenu Jeevandhara Foundation	(1.00)	-
Proceeds from sale of Property, Plant and Equipment	2.58	74.51
Interest Received	15.94	26.13
Net Cash Flow from Investing Activities (B)	(956.13)	(1,878.72)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest Paid	(1,280.15)	(1,065.40)
Payment of Lease Liabilities	(240.32)	(214.76)
Net Change in Borrowings	(2,477.57)	3,001.76
Money Received against ESOP issued	39.23	71.63
Dividend paid (including dividend paid out of unclaimed dividend of earlier year)	(134.80)	(318.69)
Net Cash from Financing Activities (C)	(4,093.62)	1,474.54
Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)	(29.80)	(659.34)
Opening Balance Cash and Cash Equivalents	267.76	927.10
Closing Balance Cash and Cash Equivalents	237.96	267.76

CONSOLIDATED STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

Components of Cash and Cash Equivalents

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balances with Banks	211.78	225.92
Cash on hand	20.37	38.43
Deposits with maturity for less than 3 month	5.81	3.40
Total	237.96	267.76

Reconciliation Statement of Cash & Bank Balances

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Cash and Cash Equivalent as per above	237.96	267.76
Add: Balance with Bank in dividend/ unclaimed dividend account	15.87	15.99
Deposits with maturity for more than 3 month but less than 12 month	156.32	209.80
Fixed Deposits with bank having maturity period more than 12 months	1.32	2.11
Total	411.47	495.66

DISCLOSURE AS REQUIRED BY IND AS 7

Reconciliation of liabilities arising from financing activities

(₹ in Lakhs)

31st March, 2021	Opening Balance	Cash Flows	Non Cash Changes	Closing Balance
Short term secured borrowings	11,800.97	(2,670.06)	-	9,130.91
Long term secured borrowings	43.51	192.49	-	236.00
Total	11,844.48	(2,477.57)	-	9,366.91

(₹ in Lakhs)

31st March, 2020	Opening Balance	Cash Flows	Non Cash Changes	Closing Balance
Short term secured borrowings	8,794.10	3,006.87	-	11,800.97
Long term secured borrowings	48.62	(5.11)	-	43.51
Total	8,842.72	3,001.76	-	11,844.48

Significant Accounting Policies

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date attached

For B S D & CO.

Chartered Accountants
Firm Registration No. 000312S

(Surendra Khinvasra)

Partner
Membership No.070804

Date : 21st June, 2021

Place : Gurgaon

For and on behalf of board of directors

(Satish Kumar Agarwal)

Chairman & Managing Director
DIN: 00005981

(Harish Kumar Agarwal)

Chief Financial Officer

(Sunil Kumar Agarwal)

Whole Time Director
DIN: 00005973



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH, 2021

A. EQUITY SHARE CAPITAL

(₹ in Lakhs)

Balance as at 1st April, 2019	Change in equity share capital during the FY 2019-20	Balance as at 31st March, 2020	Change in equity share capital during the FY 2020-21	Balance as at 31st March, 2021
2,640.00	14.33	2,654.33	39.23	2,693.55

B. OTHER EQUITY

(₹ in Lakhs)

Particulars	Reserve and Surplus				Other Comprehensive Income		Total
	Capital Reserve	Securities Premium	Share Based Payment Reserve	Retained Earnings	Fair Value of Investments	Actuarial (Losses)/ Gain on defined benefit plans	
Balance as at 1st April, 2019	181.29	4,791.70	345.65	10,170.55	8.25	(23.14)	15,474.30
Adjustment on account of transitional impact on adoption of Ind AS 116 (net of deferred tax)	-	-	-	(75.39)	-	-	(75.39)
Addition during the year	-	352.35	-	-	-	-	352.35
Profit / (Loss) for the year	-	-	-	187.29	2.11	6.97	196.37
Employee stock option outstanding	-	-	(213.15)	-	-	-	(213.15)
Dividend	-	-	-	265.43	-	-	265.43
Tax on dividend	-	-	-	54.56	-	-	54.56
Balance as at 31st March, 2020	181.29	5,144.05	132.50	9,962.47	10.36	(16.17)	15,414.50
Balance as at 1st April, 2020	181.29	5,144.05	132.50	9,962.47	10.36	(16.17)	15,414.50
Addition during the year	-	132.50	-	-	-	-	132.50
Profit / (Loss) for the year	-	-	-	1,507.62	(19.58)	13.83	1,501.87
Employee stock option outstanding (net)	-	-	(132.50)	-	-	-	(132.50)
Dividend	-	-	-	134.68	-	-	134.68
Tax on dividend	-	-	-	-	-	-	-
Balance as at 31st March, 2021	181.29	5,276.56	-	11,335.41	(9.22)	(2.34)	16,781.69

As per our report of even date attached

For B S D & CO.

Chartered Accountants
Firm Registration No. 000312S

(Surendra Khinvasra)

Partner
Membership No.070804

Date : 21st June, 2021

Place : Gurgaon

For and on behalf of board of directors

(Satish Kumar Agarwal)

Chairman & Managing Director
DIN: 00005981

(Harish Kumar Agarwal)

Chief Financial Officer

(Sunil Kumar Agarwal)

Whole Time Director
DIN: 00005973

NOTES

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

CORPORATE INFORMATION

Kamdhenu Limited ("The Group") is public limited company incorporated and domiciled in India under Companies Act, 1956 ("Act "). The Company's registered office is situated at 2nd Floor, Tower-A, Building No. 9, DLF Cyber City, Phase-III, Gurgaon-122002. Its equity shares are listed at Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

The Group is engaged in manufacturing, marketing, branding and distribution of TMT Bars, structural steel, paints and allied products under brand name KAMDHENU. The Group is also integrated with independent producer efficacious Franchisee Business Association Model and streamlined the unorganized steel sector into organized sector. The consolidated financial statements for the year ended 31st March, 2021 was approved and authorized by Board of Directors in their meeting held on 21st June, 2021.

NOTE NO. 1

SIGNIFICANT ACCOUNTING POLICIES

1.1 Statement of Compliance

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as Ind AS) as prescribed under section 133 of the Companies Act, 2013 read with companies (Indian Accounting Standards) Rules as amended from time to time.

1.2 Principles of Consolidation

The Consolidated financial statements relates to Kamdhenu Limited ("the Company") and its subsidiary company. The Consolidated financial statements have been prepared on the following basis:

- 1) The financial statements of the Company and its subsidiary are combined on a line by line basis by adding together like items of assets, liabilities, equity, incomes, expenses, and cash flows, after fully eliminating intra-group balances and intra-group transactions.
- 2) Where the cost of the investment is higher/lower than the share of equity in the subsidiary at the time of acquisition, the resulting difference is disclosed as goodwill/ capital reserve. The Goodwill is not amortized, however, it is tested for impairment at each Balance sheet date and the impairment if any, is provided for in the consolidated statement of Profit and loss.
- 3) Offset (eliminate) the carrying amount of the parent's Investment in each subsidiary and the parent's portion equity of each subsidiary.
- 4) The difference between the proceeds from disposal of investment in subsidiary and the carrying amount of its assets less liabilities as on the date of disposal is recognized in the consolidated statement of profit and Loss being the profit or loss on disposal of investment in subsidiary.
- 5) Non Controlling interest's share of profit /loss of consolidated subsidiary for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.
- 6) Non Controlling interest's share of net assets of consolidated subsidiaries is identified and presented in Consolidated Balance sheet separate from liabilities and the equity of the Company's shareholders.

- a) Companies considered in the consolidated financial statements are:-

Name of the Company	Country of Incorporation	Holding as on 31st March, 2021	Period of Consolidation	Financial Year ends on
Kamdhenu Ventures Limited (Consolidated)	India	100%	1st April, 2020 to 31st March, 2021	31st March, 2021



NOTES

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

The Company has invested a sum of ₹ 1 Lakh in Kamdhenu Jeevandhara Foundation, Section 8 company incorporated under the Provisions of Companies Act, 2013 wherein, the Company cannot claim the amount so invested and contributed by way of investment which is an irrevocable legal obligation for public charitable purposes. Accordingly the financial statements of Kamdhenu Jeevandhara Foundation for the year ended 31st March, 2021 have not been consolidated in the financial statements of the Company.

1.3 Basis of Preparation

The financial statements of the group are consistently prepared and presented under historical cost convention on an accrual basis in accordance with Ind AS except for certain financial assets and liabilities that are measured at fair values.

The Group's functional currency and presentation currency is Indian National Rupees (INR). All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakhs, except otherwise indicated.

The Group presents its assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is treated as current when it is:

- expected to be realized or intended to be sold or consumed in normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realized within twelve months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when it is:

- expected to be settled in normal operating cycle;
- held primarily for the purpose of trading;
- due to be settled within twelve months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle being a period within twelve months for the purpose of current and non-current classification of assets and liabilities. The statement of cash flows has been prepared under indirect method.

1.4 Use of judgments, estimates and assumptions

The preparation of the Group's consolidated financial statements required management to make judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets & liabilities and the accompanying disclosures and the disclosures of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment in the future periods in the carrying amount of assets or liabilities affected.

In accounting policies, management has made judgments in respect of evaluation of recoverability of deferred tax assets, which has the most significant effect on the amounts recognized in the financial statements.

The following are the key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within:

- Useful life of property, plant & equipment and intangible assets: The Group has estimated useful life of the property, plant & equipment as specified in Schedule II to the Companies Act, 2013 or such other modified useful life as disclosed in para 1.5. However the actual useful life for individual equipments could turn out to be different, there could be technology changes, breakdown, and unexpected failure leading to impairment or complete discard. Alternately, the equipment may continue to provide useful service well beyond the useful life assumed.
- Estimation of uncertainty related to Global Health Pandemic from COVID-19: The Group has considered the possible effects that may results from pandemic relating to COVID-19 on the carrying amount of financial assets including Trade receivable. In developing the assumptions

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FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

relating to the possible future uncertainties in global economic conditions because of the pandemic, the group as at the date of approval of these financial statement has used internal and external source of information, on the expected future performance of the group and based on estimates the group expects that the carrying amount of financial assets will be recovered and the group do not expect any significant impact of COVID-19 on the group's financial statements as at the date of approval of these Consolidated Financial Statements.

- c) Lease: The Group evaluates if an arrangement qualifies to be a lease as per the requirement of Ind AS 116. Identification of a lease requires significant judgement. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Group determines the lease term as the non-cancellable period of lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In exercising whether the Company is reasonably certain to exercise an option to extend a lease or to exercise an option to terminate the lease, it considers all relevant facts and circumstances that create economic incentive for the Company to exercise the option to extend the lease or to exercise the option to terminate the lease. The Company revises lease term, if there is change in non-cancellable period of lease. The discount rate used is generally based on incremental borrowing rate.

- d) Fair value measurement of financial instruments: When the fair value of financial assets and financial liabilities cannot be measured based on quoted process in active market, the fair value is measured using valuation techniques including book value and the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not possible, a degree of judgment is required in establishing fair values.

- e) Taxes: Taxes have been paid/ provided, exemptions availed, allowances considered etc. are based on the extant laws and the Company's interpretation of the same based on the legal advice received wherever required. These could differ in the view taken by the authorities, clarifications issued subsequently by the government and courts, amendments to statutes by the government etc.
- f) Defined benefit plans: The cost of defined benefit plans and other post-employment benefit plans and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future.
- g) Provisions: The Company makes provisions for leave encashment and gratuity based on report received from the independent actuary. These valuation reports use complex valuation models using not only the inputs provided by the Company but also various other economic variables. Considerable judgment is involved in the process.
- h) Contingencies: A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligations at the end of the reporting period. However, the actual liability could be considerably different.

1.5 Property, Plant and Equipment

Freehold land is carried at historical cost. All other property, plant and equipment are stated at cost, net of recoverable taxes, trade discounts and rebates less accumulated depreciation and impairment loss, if any. The cost of tangible assets comprises its purchase price, borrowing cost, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, initial estimation of any decommissioning obligations and finance cost.

On transition to Ind AS, the fair value as on 1st April, 2016 in respect of class of asset comprising land & building and plant & machinery has been taken as carrying cost and subsequently the Company follows



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FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

cost model. When significant parts of the property, plant and equipment are required to be replaced at intervals, the Company derecognizes the replaced part and recognizes the new part with its own associated useful life and depreciated accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred.

Cost of software directly identified with hardware is recognized along with the cost of hardware.

Stores and spares which meet the definition of property, plant and equipment and satisfy recognition criteria of Ind AS 16 are capitalized as property, plant and equipment.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset is included in the Statement of Profit and Loss when the asset is derecognized.

Capital work-in-progress includes cost of property, plant and equipment which are not ready for their intended use.

The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and changes, if any, are accounted prospectively.

Depreciation on the property, plant and equipment is provided over the useful life of assets as specified in Schedule II to the Companies Act, 2013 using straight line method other than in case of rolling mill and tinting machine, where useful life based on management estimate has been taken twenty years and ten years respectively. Property, plant and equipment which are added/disposed of during the year, depreciation is provided on pro rata basis with reference to the month of addition/deletion.

In line with the provisions of Schedule II of the Companies Act, 2013, the Company depreciates significant components of the main asset (which have different useful lives as compared to the main asset) based on the individual useful life of those components. Useful life for such components has been assessed based on the historical experience and internal technical inputs.

1.6 Intangible Assets

Intangible assets are recognized only if they are separately identifiable and the Company expects to receive future economic benefits arising out of them. Intangible assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization/depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs and any cost directly attributable to bringing the asset to its working condition for the intended use.

Computer Software is amortized over a period of three years.

Intangible assets with finite lives are amortized on straight line basis over their useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at each year end. The amortized expense on intangible assets with infinite lives and impairment loss is recognized in the Statement of Profit and Loss.

The useful lives of intangible assets are assessed as either finite or indefinite.

Gains or losses arising from de-recognition of an intangible asset are recognized in the Statement of Profit and Loss when the asset is derecognized.

Intangible assets with indefinite useful lives are not amortized but are tested for impairment annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis. The impairment loss on intangible assets with indefinite life is recognized in the Statement of Profit and Loss.

Goodwill on consolidation represents the cost of business acquisition in excess of the Group's interest in the net fair value of identifiable assets, liabilities & Contingent liabilities of the acquiree. When the net fair value of identifiable assets, liabilities & Contingent liabilities acquired exceeds the cost of business acquisition, the bargain purchase excess is recognized after reassessing the fair value of net assets acquired in the capital reserve. Goodwill is measured at cost less accumulated impairment losses.

Goodwill is tested for impairment on an annual basis and whenever there is an indication that goodwill may be impaired, relying, on number of factors including

NOTES

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

operating results, business plans and future cash flows. For the purpose of impairment testing, goodwill acquired in business combination is allocated to the Group's cash generating units (CGU) or groups of CGU's expected to benefit from the synergies arising from the business combination. A CGU is smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from the other assets or group of assets. Impairment occurs when the carrying amount of a CGU including the goodwill, exceeds the estimated recoverable amount of the CGU. The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. Value-in-use is the present value of the future cash flows expected to be derived from the CGU.

Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to other assets of the CGU pro-rata on the basis of carrying amount of each asset in the CGU. An impairment loss on goodwill is recognized in net profit in the consolidated Statement of Profit and Loss and is not reversed in the subsequent period.

1.7 Impairment of non-financial assets

At each Balance Sheet date, the Company assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognized in the previous periods. If any indication exists or when annual impairment testing for an asset is required, the Company determines the recoverable amount and impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

An asset's recoverable amount is the higher of an asset or Cash-Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less

costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

1.8 Investment in Subsidiaries, Associates and joint Ventures

Investment in subsidiaries, associates and joint ventures are carried at cost less impairment losses, if any. When an indication of impairment exists, the carrying amount of the investment is assessed and written down to its recoverable amount. On disposal of investment in subsidiary, associates and joint venture, the difference between net disposal proceeds and the carrying amount are recognized in statement of Profit & loss.

Investment in Equity Instruments

All investment in equity instrument classified under financial assets are initially measured at fair value. The Company may on initial application irrevocably elect to measure the same either at FVOCI or FVTPL.

The Company makes such election on an instrument by instrument basis. Fair value changes on an equity instrument is recognized as 'other income' in statement of profit & Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividend on an equity instrument measured at FVOCI are recognized in OCI. Amount recognized in OCI are not subsequently reclassified to statement of Profit & loss. Dividend income on investment in equity instrument are recognized as 'Other Income' in statement of Profit & Loss.

1.9 Inventories

Inventories are valued as under:

Raw materials, packing materials, stores and spares are valued at lower of cost (on a weighted average basis) and net realizable value.

Stock in process is valued at lower of cost (on a weighted average basis) and net realizable value.

Finished goods (including in transit) are valued at cost (on a weighted average basis) or net realizable value whichever is lower. Cost for this purpose includes direct materials, direct labour, utilities, other variable direct cost and manufacturing overheads, based on the normal operating capacity and depreciation.

1.10 Cash and cash Equivalents

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term



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FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

For the purpose of statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above, net of outstanding bank overdrafts as they are considered as an integral part of the Company's cash management.

Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

Bank Balances other than above

Dividend escrow account balances, deposits with banks as margin money for guarantees issued by the banks, deposits kept as security deposits for statutory authorities are accounted as bank balances other than Cash and Cash equivalents.

1.11 Non-current Assets held for Sale

Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Non-current assets are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets.

Property, plant and equipment and intangible assets are not depreciated or amortized once classified as held for sale.

1.12 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A. Financial Assets:

(i) Classification:

The Company classifies financial assets as subsequently measured at amortized cost, fair

value through other comprehensive income, or fair value through profit and loss on the basis of its business model for managing the financial asset and the contractual cash flow characteristics of the financial asset.

(ii) Initial recognition and measurement:

All financial assets are recognized initially at fair value plus, in the case of financial assets not recognized at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial asset.

(iii) Financial assets measured at amortized cost:

Financial assets are subsequently measured at amortized cost using Effective Interest Rate (EIR) method, if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. The losses arising from the impairment are recognized in the Statement of Profit and Loss.

(iv) Financial assets at fair value through other comprehensive income:

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms give rise to cash flows that are solely payments of principal and interest on the principal outstanding.

(v) Financial assets measured at fair value through profit and loss:

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in profit and loss.

(vi) De-recognition of financial assets:

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

NOTES

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

AA. Impairment of Financial Assets

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

B. Financial Liabilities

(i) Classification:

The Group classifies all financial liabilities as subsequently measured at amortized cost, except for financial liabilities at fair value through profit and loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

(ii) Initial recognition and measurement:

All financial liabilities are recognized initially at fair value, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

(iii) Subsequent measurement:

All financial liabilities are re-measured at fair value through statement of profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through statement of profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

(iv) Loans and borrowings:

Interest bearing loans and borrowings are subsequently measured at amortized cost using effective interest rate (EIR) method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through EIR amortization process. The EIR amortization is included as finance cost in the Statement of Profit and Loss.

(v) De-recognition of financial liabilities:

A financial liability is derecognized when the

obligation under the liability is discharged or canceled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

(vi) Derivative financial instruments:

The Group uses derivative financial instruments such as forward currency contracts and options to hedge its foreign currency risks. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. The gain or loss in the fair values is taken to Statement of Profit and Loss at the end of every period. Profit or loss on cancellations/renewals of forward contracts and options are recognized as income or expense during the period.

C. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis to realize the assets and settle the liabilities simultaneously.

1.13 Fair value measurement

The Group measures certain financial assets and financial liabilities including derivatives and defined benefit plans at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.



NOTES

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

1.14 Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

1.15 Provisions, Contingent liabilities, Contingent Assets

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligations at the end of the reporting period. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the changes in the provision due to the passage of time are recognized as finance cost.

Contingent liabilities are disclosed in the case of:

- a) a present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- b) a present obligation arising from the past events, when no reliable estimate is possible; and
- c) a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Contingent assets are not recognized but disclosed in the financial statements when an inflow of economic benefit is probable.

1.16 Share Based Payment

- a) Equity-Settled Share Based Payments to Employee (primarily Employee Stock Option Scheme) and others providing similar services are measured at the Fair Value of the Equity Instrument at the grant date.
- b) The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of revision of the original estimates, if any, is recognized in Statement of Profit And Loss such that the cumulative expense reflect the revised estimate, with a corresponding adjustment to Share Based Payment reserve.
- c) The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

1.17 Employee Benefits

A. Defined Contribution Plans

Retirement benefit in the form of contribution to provident fund and pension fund are charged to statement of Profit and Loss.

B. Defined Benefit Plan (Unfunded)

Gratuity is the nature of a defined benefit plan.

Provision for gratuity is calculated on the basis of actuarial valuation carried out at reporting date and is charged to statement of Profit and Loss. The actuarial

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valuation is computed using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amount included in net interest on the net defined benefit liability and the return on plan assets (excluding amount included in net interest on the net defined benefit liability) are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurement is not reclassified to profit or loss in subsequent periods.

C. Other Employee Benefits (Unfunded)

Leave Encashment is recognized as an expense in the statement of Profit and Loss account as and when they accrue. The Company determines the liability using the projected unit credit method with actuarial valuations carried out as at Balance Sheet date.

1.18 Revenue Recognition

Revenue from Sale of Goods and services

The Group derives its revenue from sale of manufactured goods & traded goods primarily from steel segment and paint segment and also from Royalty services in respect of franchisee arrangement. In accordance with Ind AS 115, the Company recognizes revenue from sale of products & services at a time when performance obligations are satisfied and upon transfer of control of promised products and services to the customer in an amount that reflects the consideration, the Company expects to receive in exchange for their products or services. The Company disaggregates the revenue based on nature of products.

The revenue from sale of goods and services is net of variable consideration on account of various discounts and schemes offered by the Company.

Dividend Income

Dividend income is recognized when the right to receive is established and there is a reasonable certainty of its collection.

Interest Income

Interest income is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When

calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instruments (for example, prepayment, extension, call and similar options) but does not consider the expected credit loss.

Insurance Income

Income in respect of insurance claims recognized on acceptance basis or when there is reasonable certainty that the ultimate collection will be made.

Others

Income in respect of other claims and commissions are measured at fair value and recognized when there is reasonable certainty that the ultimate collection will be made.

1.19 Taxes on Income

Income Tax expenses comprise current tax expenses and the net change in the deferred tax asset or liabilities during the year. Current and Deferred tax are recognized in Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognized in Other Comprehensive Income or directly in equity respectively.

Current Tax

The Group provides current tax based on the provisions of the Income Tax Act, 1961 applicable to the Company.

Deferred Tax

Deferred tax is recognized using the Balance Sheet approach. Deferred tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount.

Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it



NOTES

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or liability is settled, based on tax rates (and tax laws) that have been enacted or substantially enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

1.20 Earnings Per Share

Basic earnings per share are calculated by dividing the profit after tax or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. In case there are any dilutive securities during the period presented, the impact of the same is given to arrive at diluted earnings per share

1.21 Segment Reporting

The operating segments have been identified on the basis of nature of products and the same are accordingly evaluated by the Manager and Board of Directors. The Company's primary operating segment is Steel and Paint.

1.22 Leases

In accordance with Ind AS 116, the Company recognizes right of use assets representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of right of use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before commencement date less any lease incentive received plus any initial direct cost incurred and an estimate of cost to be incurred by lessee in dismantling and removing underlying asset or restoring the underlying asset or site on which it is located. The right of use asset is subsequently measured at cost less accumulated depreciation, accumulated impairment losses, if any,

and adjusted for any re-measurement of lease liability. The right of use assets is depreciated using the Straight Line Method from the commencement date over the shorter of lease term or useful life of right of use asset. The estimated useful lives of right of use assets are determined on the same basis as those of Property, Plant and Equipment. Right of use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognized in Statement of Profit and Loss.

The group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

The lease liability is subsequently re-measured by increasing the carrying amount to reflect interest on lease liability, reducing the carrying amount to reflect the lease payments made and re-measuring the carrying amount to reflect any reassessment or lease modification or to reflect revised-in-substance fixed lease payments. The Company recognizes amount of re-measurement of lease liability due to modification as an adjustment to write off use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of right of use assets is reduced to zero and there is further reduction in measurement of lease liability, the Company recognizes any remaining amount of the re-measurement in Statement of Profit and Loss.

The group has elected not to apply the requirements of Ind AS 116 to short term leases of all assets that have a lease term of 12 months or less unless renewable on long term basis and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense over lease term.

1.23 Foreign exchange transactions

Foreign currency transactions are accounted for at the exchange rate prevailing on the date of the transaction. All monetary foreign currency assets and liabilities are converted at the exchange rates prevailing at the reporting date. All exchange differences arising on translation of monetary items are dealt with in the Statement of Profit and Loss.

NOTES

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

NOTE NO. 1

(I) PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total	CWIP
Gross Carrying Value as on 1st April, 2019	1,908.40	1,675.33	6,726.31	200.50	677.58	167.54	11,355.66	78.07
Additions during the year	-	270.78	1,030.97	28.42	65.28	84.92	1,480.37	121.76
Deduction on account of Property Plant & Equipment lost in fire	-	632.62	1,607.76	65.44	-	50.62	2,356.44	54.74
Deductions/Adjustments	-	-	28.18	-	78.60	5.22	112.00	32.77
Gross Carrying Value as on 31st March, 2020	1,908.40	1,313.48	6,121.34	163.48	664.26	196.62	10,367.58	112.32
Accumulated Depreciation as on 1st April, 2019	-	200.74	1,595.18	163.74	299.58	129.02	2,388.26	-
Depreciation for the year	-	25.92	542.94	4.33	78.39	24.74	676.32	-
Deduction on account of Property Plant & Equipment lost in fire	-	81.90	388.84	54.89	-	43.94	569.57	-
Deductions/Adjustments	-	-	1.76	-	60.72	4.96	67.44	-
Accumulated Depreciation as on 31st March, 2020	-	144.76	1,747.52	113.17	317.25	104.86	2,427.56	-
Carrying Value as on 31st March, 2020	1,908.40	1,168.72	4,373.82	50.31	347.01	91.76	7,940.02	112.32
Gross Carrying Value as on 1st April, 2020	1,908.40	1,313.48	6,121.34	163.48	664.26	196.62	10,367.58	112.32
Additions during the year	-	384.70	851.35	9.22	52.87	29.40	1,327.54	874.55
Deductions/Adjustments	-	-	-	-	22.86	0.63	23.49	911.35
Gross Carrying Value as on 31st March, 2021	1,908.40	1,698.19	6,972.69	172.70	694.27	225.39	11,671.63	75.52
Accumulated Depreciation as on 1st April, 2020	-	144.76	1,747.52	113.17	317.25	104.86	2,427.56	-
Depreciation for the year	-	52.34	517.02	5.73	76.32	39.00	690.41	-
Deductions/Adjustments	-	-	-	-	21.72	0.57	22.29	-
Accumulated Depreciation as on 31st March, 2021	-	197.10	2,264.54	118.91	371.85	143.29	3,095.69	-
Carrying Value as on 31st March, 2021	1,908.40	1,501.09	4,708.15	53.79	322.42	82.10	8,575.94	75.52

**NOTES****FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021****(II) RIGHT OF USE ASSETS**

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Building		
Opening Balance	676.21	738.68
Addition during the year	-	99.45
Depreciation for the year	(175.88)	(161.92)
Closing Balance of Right of use asset	500.33	676.21

NOTE NO. 2**INVESTMENTS - NON CURRENT**

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Investment in Subsidiary Company (Valued at Cost unless stated otherwise)		
Unquoted Equity instrument-Fully Paid		
30,400 (31st March 2020: 30,400) equity share of M/s Kamdhenu Ventures Limited	-	-
10,000 (31st March 2020 Nil) equity shares of M/s Kamdhenu Jeevandhara Foundation	1.00	-
	1.00	-
Other Investment (Measured at Fair Value through Other Comprehensive Income)		
15,42,605 (31st March 2020: 15,42,605) equity shares of M/s Shree Bankey Bihari Ispat Private Limited	-	-
2,68,220 (31st March 2020: 2,68,220) equity shares of M/s Stelex Coating Limited	24.11	24.17
24,50,000 (31st March 2020: 24,50,000) equity shares of M/s Orange Spa Hotels & Resorts Private Limited	211.09	243.43
	235.20	267.60
Total	236.20	267.60

NOTE: 2.1

Aggregate book value of unquoted Investments	343.18	342.18
Aggregate fair value of unquoted investments valued at cost	1.00	-
Aggregate fair value of unquoted investments measured at fair value through Other Comprehensive Income.	235.20	267.60
Aggregate amount of impairment in value of investments.	106.98	74.58

NOTES

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

NOTE NO. 3

LOANS - NON CURRENT

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unsecured, considered good, unless stated otherwise:		
Advance to Employee	8.60	-
Total	8.60	-

NOTE NO. 4

OTHER FINANCIAL ASSETS - NON CURRENT

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Security deposits	295.27	285.53
Fixed Deposits with bank having maturity period more than 12 months	1.16	2.01
Interest accrued on Fixed Deposits	0.16	0.10
Total	296.59	287.64

NOTE NO. 5

OTHER NON CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Capital advance	5.50	82.06
Prepaid expenses	24.31	24.61
Tax Refundable (Net of Provision of ₹ 595.47 Lakhs)	977.15	901.69
Excise duty and Service tax deposited under protest	8.00	23.00
Duties and taxes refundable	98.27	58.27
Total	1,113.23	1,089.63

NOTE NO. 6

INVENTORIES

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Raw Materials & Packing Materials	1,375.79	1,401.23
Stock-in-Process	20.24	44.17
Finished Goods	4,319.58	4,985.46
Stock-in-Trade	628.29	1,040.26
Stores, Spares & Fuel	348.75	320.76
Waste, Scraps, Runner Risers & Mill Scale	36.02	32.33
Total	6,728.67	7,824.21



NOTES

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

NOTE NO. 6.1

- a) The Company do not have any inventory which is expected to be sold in more than 12 months.

NOTE NO. 7

INVESTMENT - CURRENT (Measured at Fair Value through Statement of Profit & Loss)

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Investment in Portfolio Management Services through IIFL Asset Management Limited	617.23	353.30
Total	617.23	353.30

The above investment have been made with IIFL Asset Management Limited held for sale and is intended to be held for short term, accordingly classified as current Investment

NOTE: 7.1

Aggregate Cost of portfolio forming part of Portfolio Management Services	473.61	492.37
Reversal of unrealized gain/ (loss) of Previous Year	(139.07)	-
Unrealized Gain/ (Loss) accounted in Statement of Profit & Loss	282.69	(139.07)
Aggregate Market value of portfolio forming part of Portfolio Management Services	617.23	353.30

NOTE NO. 8

TRADE RECEIVABLES - CURRENT

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Trade Receivable - Unsecured		
Considered good	19,950.55	21,211.20
Considered doubtful	869.39	616.07
	20,819.94	21,827.27
Less: Allowance for Expected Credit Loss (ECL)	869.39	616.07
Total	19,950.55	21,211.20

Note:

- a) The Company has used a practical expedient by computing the Expected Credit Loss allowance based on a provision matrix. The expected credit loss allowance is based on the ageing of the days, the receivables are due and recognizes impairment loss allowance based on lifetime expected loss on each reported date right from its initial recognition. The provision matrix at the end of each reporting period is as under :

Particulars	As at 31st March, 2021	As at 31st March, 2020
Trade Receivables	20,189.94	21,827.27
Trade Receivables not considered for ECL Matrix	15,469.00	17,459.74
Trade Receivables considered for ECL Matrix	5,350.94	4,367.52
Movement in allowance for doubtful debts :		
Balance at the beginning of the year	616.07	463.12
Addition during the year (net)	253.32	152.95
Balance at the end of the year	869.39	616.07

NOTES

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

- b) The concentration of credit risk on trade receivable is limited due to the fact that the customer base is large and is unrelated to each other.
- c) No trade receivable is due from directors & other officers of the Company either singly or severally with any other person or from firm or private companies in which any director is interested as partner/ director.
- d) The Company has assessed the risk of recovery from trade receivable arising on account of Pandemic Covid-19 and based on its assessment, the management of company do not foresee any impact on realizability of Trade receivable and is of the view that allowance for Expected credit loss created is sufficient and no further provisioning on this account is necessiated.

NOTE NO. 9

CASH AND CASH EQUIVALENTS - CURRENT

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balances with Banks	211.78	225.92
Cash on hand	20.37	38.43
Deposits with maturity for less than 3 month	5.81	3.40
Total	237.96	267.76

NOTE NO. 10

OTHER BALANCES WITH BANKS - CURRENT

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balance with bank in unpaid dividend accounts	15.87	15.99
Deposits with maturity for more than 3 month but less than 12 month	156.32	209.80
Total	172.19	225.79

There are no amount due and outstanding to be transferred to Investor Education and Protection Fund as at 31st March, 2021.

NOTE NO. 11

LOANS - CURRENT

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unsecured, considered good, unless stated otherwise:		
Loans and Advances to employees	42.67	48.38
Total	42.67	48.38



NOTES

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

NOTE NO. 12

OTHER FINANCIAL ASSETS - CURRENT

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unsecured, considered good, unless stated otherwise:		
Interest accrued on Fixed Deposit	1.62	8.77
Advances recoverable		
Considered good	21.91	43.83
Considered doubtful	21.91	-
	43.82	43.83
Less: Allowance for doubtful advance	21.91	-
	21.91	43.83
Insurance Claims and other receivables (Refer note no. 52)	2,587.38	4,171.23
Total	2,610.91	4,223.83

The Reconciliation and movement in allowance for doubtful advances are as under:-

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balance at the beginning of the year	-	-
Addition during the year	21.91	-
Balance at the end of the year	21.91	-

NOTE NO. 13

OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unsecured, considered good, unless stated otherwise:		
Advances recoverable in Cash or in Kind for value to be received		
Considered good	1,585.40	1,526.95
Considered doubtful	10.00	10.00
	1,595.40	1,536.95
Less: Allowance for doubtful Advances	10.00	10.00
	1,585.40	1,526.95
Balances with statutory authorities	273.13	294.42
Duties and taxes refundable	1.13	1.13
Prepaid expenses	85.99	54.47
Total	1,945.65	1,876.97

NOTES

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

The Reconciliation and movement in allowance for doubtful advances are as under:-

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balance at the beginning of the year	10.00	-
Addition during the year	-	10.00
Balance at the end of the year	10.00	10.00

NOTE NO. 14

EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Authorized Share Capital:		
3,00,00,000 (Previous year 3,00,00,000) Equity Shares of ₹ 10 each	3,000.00	3,000.00
Issued, Subscribed and Paid up:		
2,69,35,500 (Previous year 2,65,43,250) Equity Shares of ₹ 10 each	2,693.55	2,654.33
Total	2,693.55	2,654.33

(a) Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	As at 31st March, 2021	As at 31st March, 2020
At the beginning of the year	2,65,43,250	2,64,00,000
Add: Issued during the year	3,92,250	1,43,250
Less: Bought back during the year	-	-
At the end of the year	2,69,35,500	2,65,43,250

(b) Details of Shareholders holding more than 5 % Shares in the Company

Name of the Shareholder	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares	% held	No. of Shares	% held
Mr. Sunil Kumar Agarwal	15,45,292	5.74%	15,45,292	5.82%
Mrs. Sarita Agarwal	16,16,950	6.00%	16,16,950	6.09%
M/s Kamdhenu Overseas Limited	30,50,000	11.32%	30,50,000	11.49%
M/s Kamdhenu Paint Industries Limited	15,21,801	5.65%	15,21,801	5.73%
M/s Kamdhenu Concast Limited	14,28,510	5.30%	14,28,510	5.38%

(c) Term/ rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹10/- Per Share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

The repayment of Equity share capital in the event of Liquidation and buy back of Shares are possible subject to prevalent regulations. In the event of Liquidation, normally the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion of shareholding.



NOTES

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

The Company has not allotted any fully paid up shares pursuant to contract(s) without payment being received in cash. The Company has neither allotted any fully paid up shares by way of bonus shares nor has bought back any class of shares during the period of five years immediately preceding the balance sheet date.

(d) Dividend

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend. The remittance of dividends outside India is governed by Indian law on foreign exchange.

The amount of per share dividend recognized as distributions to equity shareholders during FY 2020-21 pertaining to FY 2019-20 amounted to ₹ 134.68 Lakhs have been shown as deduction from retained earning.

The Board of directors of the Company in their meeting held on 21st June, 2021 have proposed dividend of ₹ 0.80/- per share for the financial year ended 31st March, 2021 for the approval of shareholders.

(e) Employee Stock Option Scheme

During the year ended 31st March, 2021, 3,92,250 Equity Shares of ₹10 each were allotted to the eligible employees of the Company in pursuance of share option granted / vested and exercised by them at an exercise price of ₹ 10 each under ESOS-2017.

NOTE NO. 15

OTHER EQUITY

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
a. Capital Reserves		
As per last Balance Sheet	181.29	181.29
Add: Addition during the year	-	-
Less: Deduction during the year	-	-
	181.29	181.29
b. Securities Premium		
As per last Balance Sheet	5,144.05	4,791.70
Add: Addition during the year	132.50	352.35
Less: Deduction during the year	-	-
	5,276.56	5,144.05
c. Share Based Payment Reserve		
As per last Balance Sheet	132.50	345.65
Add: Addition during the year	-	81.90
Less: Deduction during the year	132.50	295.05
	-	132.50
d. Other Comprehensive Income		
As per last Balance Sheet	(5.81)	(14.89)
Add: Addition during the year		
Fair Value of Investments	(19.58)	2.11
Remeasurement (Losses)/ Gain on defined benefit Plan	13.83	6.97
Less: Deduction during the year	-	-
	(11.56)	(5.81)

NOTES

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
e. Retained Earnings		
As per last Balance Sheet	9,962.47	10,170.55
Less: Adjustment on account of transitional impact on adoption of Ind AS 116 (net of deferred tax)	-	75.39
Add: Profit for the year	1,507.62	187.29
Less: Appropriations:		
Dividend on Equity Shares	134.68	265.43
Tax on Dividend Distribution	-	54.56
	11,335.41	9,962.47
Total	16,781.69	15,414.50

NOTE NO. 16

BORROWINGS - NON CURRENT

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Secured, Term Loans from Banks:		
State Bank of India	466.67	-
Indian Bank	348.98	-
Vehicles Loans from Banks	85.05	95.66
	900.70	95.66
Less: Current maturities of long term debts (Refer note no. 25)	664.70	52.15
Total	236.00	43.51

a) Terms of Repayment of Terms Loans are as under:-

Particulars	Rate of interest p.a	Amount outstanding as at 31st Mar, 2021	Repayment Schedule		
			FY 2021-22	FY 2022-23	FY 2023-25
State Bank of India	7.40%	466.67	466.67	-	-
Indian Bank	7.80%	348.98	159.96	159.96	29.06
Vehicle Loans	8% to 10%	85.05	38.07	13.11	33.87
Total		900.70	664.70	173.07	62.93

(i) CCECL (Term Loan) from State Bank of India and Indian Bank are secured by way of Primary :

- a) Extension of First pari passu charge by way of hypothecation charge on entire current assets (present and future) of the Company.

Collateral

- a. Extension of First pari passu charge by way of hypothecation charge on entire fixed assets (movable & immovable) of the Company both present & future including plant & machinery except vehicle financed by other banks.

**NOTES****FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021**

- b. Extension of First pari passu charge by way of equitable mortgage over factory land & building of the Company situated at A-1112 & A-1114, RIICO Industrial Area, Phase III, Bhiwadi Rajasthan and at E-538 & E-539A, RIICO Industrial Area, Chopanki, Rajasthan.

Guarantee :

- a. Personal Guarantee of whole time directors.

(ii) **Vehicle loans from Banks are secured by hypothecation of respective vehicle.**

NOTE NO. 17**LEASED LIABILITIES - NON CURRENT**

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Non-Current lease liabilities	505.86	658.20
Total	505.86	658.20

NOTE NO. 18**OTHER FINANCIAL LIABILITIES - NON CURRENT**

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Security Deposits	722.17	656.43
Deferred Interest Accrued on Security Deposit	21.35	72.84
Total	743.52	729.27

NOTE NO. 19**PROVISIONS - NON CURRENT**

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Provisions for Employee Benefits:		
Provisions for Gratuity	347.91	318.26
Provisions for Leave Encashment	68.25	81.65
Total	416.16	399.91

NOTE NO. 20**DEFERRED TAX LIABILITIES (NET)**

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Deferred tax liability:		
on Property, Plant and Equipment	973.12	975.53
on Unrealized Gain of Investment in PMS	49.39	-

NOTES

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Deferred tax assets:		
on Right of use Assets	39.73	37.08
on Fair value of Investments	89.59	76.77
on Unrealized Loss of Investment in PMS	-	25.63
on Employee Benefits	121.45	115.01
on Provision for Expected Credit Loss	226.84	157.57
on Other Items (Net)	2.82	2.63
Net Deferred Tax Liability	542.08	560.84

The Company estimates deferred tax credit/ (charge) using the substantively enacted rate of taxation on the impact of timing differences between financial statements and estimated taxable income.

(a) Movement in Deferred Tax Balances

In accordance with Ind AS - 12, the Company has accounted for deferred taxes during the year as under:

Following are the major components of Deferred Tax Liabilities and Deferred Tax Assets:

(₹ in Lakhs)

Particulars	As at 31st March, 2021					
	Net Balance (1st April, 2020)	Recognized in profit or (Loss)	Recognized in OCI	Net Deferred Tax	Deferred Tax Liability	Deferred Tax Assets
Property, plant and equipment	975.53	(2.41)	-	973.12	973.12	-
Right of use Assets	(37.08)	(2.65)	-	(39.73)	-	(39.73)
Employee Benefits - P&L	(104.93)	(11.09)	-	(116.02)	-	(116.02)
Employee Benefits - OCI	(10.08)	-	4.65	(5.43)	-	(5.43)
Unrealized gain/(Loss)	(25.63)	75.02	-	49.39	49.39	-
Investments	(76.77)	-	(12.82)	(89.59)	-	(89.59)
Provision for Expected Credit Loss	(157.57)	(69.27)	-	(226.84)	-	(226.84)
Other Items (Net)	(2.63)	(0.19)	-	(2.82)	-	(2.82)
Deferred Tax (Assets) / Liabilities	560.84	(10.59)	(8.17)	542.08	1,022.51	(480.43)

Particulars	As at 31 March, 2020						
	Net Balance (01.04.2019)	Transition impact on adoption of Ind AS 116 (Refer Note No. 50)	Recognized in profit or (Loss)	Recognized in OCI	Net Deferred Tax	Deferred Tax Liability	Deferred Tax Assets
Property, plant and equipment	1,365.66	-	(390.13)	-	975.53	975.53	-
Right of use Assets	-	(40.50)	3.42	-	(37.08)	-	(37.08)
Employee Benefits - P&L	(129.34)	-	24.41	-	(104.93)	-	(104.93)
Employee Benefits - OCI	(12.42)	-	-	2.34	(10.08)	-	(10.08)
Unrealized gain/(Loss)	-	-	(25.63)	-	(25.63)	-	(25.63)
Investments - P&L	(72.25)	-	-	(4.51)	(76.77)	-	(76.77)
Provision for Expected Credit Loss	(161.83)	-	4.26	-	(157.57)	-	(157.57)
Other Items (Net)	(1.58)	-	(1.05)	-	(2.63)	-	(2.63)
Deferred Tax (Assets) / Liabilities	988.24	(40.50)	(384.73)	(2.17)	560.84	975.53	(414.69)



NOTES

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

NOTE NO. 21

A) TAX EXPENSES

The total tax expenses charged in Statement of Profit and Loss as under

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Current Tax	595.47	148.54
Deferred Tax	(10.59)	(384.73)
Income Tax of earlier years	1.96	3.09
Total	586.84	(233.10)

B) RECONCILIATION OF EFFECTIVE TAX RATE WITH TAX EXPENSE IN STATEMENT OF PROFIT AND LOSS

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Profit/(loss) before Tax	2,094.46	(45.81)
Applicable tax rate	25.17%	25.17%
Tax at the Indian tax rate of 25.168%	527.13	(11.52)
Tax adjustment of loss of subsidiary company	0.38	0.24
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:	351.55	388.72
Tax effect of amounts which are deductible (non-taxable) in calculating taxable income:	(283.59)	(228.90)
Current tax (Normal Rate) (A)	595.47	148.54
Incremental Deferred tax Liability on timing Differences (Net)	(10.59)	(384.73)
Deferred Tax (B)	(10.59)	(384.73)
Tax Expenses for earlier year (net) (C)	1.96	3.09
Tax expenses recognized in the statement of profit and loss (A+B+C)	586.84	(233.10)
Effective Tax rate	28.02%	-

NOTE NO. 22

BORROWINGS - CURRENT

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Secured - Working Capital Loan from Bank:		
State Bank of India	6,383.26	8,276.32
Indian Bank	2,080.95	3,471.50
Unsecured Loan from Director	-	1.00
Unsecured Intercompany Loan (Repayable on Demand)	2.00	-
Total	8,466.21	11,748.82

Working Capital Loan from State Bank of India and Indian Bank are secured by way of Primary :

- First pari passu charge by way of hypothecation charge on entire current assets (present and future) of the Company.

Collateral

- First pari passu charge by way of hypothecation charge on entire fixed assets (movable & immovable) of the Company both present & future including plant & machinery except vehicle financed by other banks.
- First pari passu charge by way of equitable mortgage over factory land & building of the Company situated at A-1112 & A- 1114, RIICO Industrial Area, Phase III, Bhiwadi Rajasthan and at E-538 & E-539A, RIICO Industrial Area, Chopanki, Rajasthan.

Guarantee :

- Personal Guarantee of whole time directors.

NOTES

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

NOTE NO. 23

LEASED LIABILITIES - CURRENT

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Current lease liabilities	152.34	165.34
Total	152.34	165.34

NOTE NO. 24

TRADE PAYABLES - CURRENT

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Total outstanding dues of Micro and Small Enterprises	1,775.60	1,649.77
Total outstanding dues of creditors other than Micro and Small Enterprises:		
- for Goods	6,626.06	7,767.00
- for Services	1,867.25	2,793.11
Total	10,268.91	12,209.88

a) Details of dues to Micro and Small Enterprises as per the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at 31st March, 2021	As at 31st March, 2020
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount	1,745.92	1,609.88
- Interest amount	29.68	39.89
- Total of (i) & (ii)	1,775.60	1,649.77
- The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
- The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under MSMED Act, 2006.	29.68	39.89
- The amount of interest accrued and remaining unpaid at the end of each accounting period	91.33	61.65
- The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	91.33	61.65

- b) The amount of interest due and payable for the year due to delay in making payment under Micro, Small and Medium Enterprise Development Act 2006 is ₹ 29.68 Lakhs.
- c) Dues to Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.



NOTES

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

NOTE NO. 25

OTHER FINANCIAL LIABILITIES - CURRENT

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Current maturities of long term debts (Refer note no. 16)	664.70	52.15
Payable for capital goods	317.09	389.03
Employee related liabilities	351.20	366.40
Deferred Interest on security received	50.12	45.80
Interest accrued	3.69	0.61
Unpaid Dividend	15.87	15.99
Total	1,402.67	869.98

NOTE NO. 26

OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Advance from customers	248.63	130.32
Statutory dues payable	589.04	763.72
Total	837.67	894.04

NOTE NO. 27

PROVISIONS - CURRENT

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Provisions for Employee Benefits:		
Provisions for Gratuity	57.92	46.62
Provisions for Leave Encashment	8.49	10.45
Total	66.41	57.07

NOTE NO. 28

REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Sale of Products:		
1. Sale of Manufactured Goods:		
(i) Steel Products	33,464.83	33,011.09
(ii) Paints Products	11,805.58	7,302.54
(iii) Power	112.42	132.19
2. Sale of Traded Goods:		
(i) Steel Products	132.66	30,534.45
(ii) Paints Products	8,142.77	11,465.41
(iii) Other Products	71.66	256.23
Income from Services:		
3. Royalty on:		
(i) Steel Products	8,533.37	9,415.52
(ii) Paints Products	258.84	261.80
Total	62,522.13	92,379.23

NOTES

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

a) The disclosures required by Ind AS 115 are as under:

The Company disaggregates revenue based on nature of products. The revenue disaggregation for the year ended 31st March, 2021 is as under:

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Steel	33,597.49	63,545.54
Paint	19,948.35	18,767.95
Power	112.42	132.19
Royalty Income	8,792.21	9,677.32
Others	71.66	256.23
Total	62,522.13	92,379.23

b) (₹ in Lakhs)

Reconciliation of Revenue	Year ended 31st March, 2021	Year ended 31st March, 2020
Gross value of Contracted Price	69,393.49	99,616.51
Less: Variable Component like Discount	6,871.36	7,237.28
Total	62,522.13	92,379.23

c) (₹ in Lakhs)

Reconciliation of Advance received from Customers	Year ended 31st March, 2021	Year ended 31st March, 2020
Balance at the beginning of the year	130.32	61.61
Less : Revenue recognized out of advance received from customers at beginning of year	74.70	38.60
Add : Advance received during the year from customers for which performance obligation is not satisfied and shall be recognized as revenue in next year	193.01	107.31
Balance at the end of the year	248.63	130.32

NOTE NO. 29

OTHER INCOME (₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Interest Income:		
(i) Interest from Bank on Fixed Deposits	10.04	25.51
(ii) Interest Others	7.68	9.39
(iii) Interest components on measurement of financial assets/ liabilities at amortized cost (net)	6.99	7.08
Other non-operating Income:		
(i) Insurance Claims received	32.24	0.93
(ii) Bad Debts Recovered	-	20.05
(iii) Dividend Income	3.93	1.05
(iv) Miscellaneous Incomes	0.31	0.42
(v) Profit on Sale/discarding of Assets	1.38	-
(vi) Interest on Income Tax / Sales Tax Refund	4.12	-
(vii) Unrealized Gain on valuation of PMS measured at fair value through profit or loss	282.69	-
Total	349.38	64.43

**NOTES****FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021****NOTE NO. 30****COST OF MATERIALS CONSUMED**

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
a. Raw Materials		
Opening Stock	1,146.12	1,490.85
Add : Purchases	33,635.02	33,118.58
Less : Closing Stock	1,037.25	1,146.12
Total (a)	33,743.89	33,463.31
b. Cost of Packing Materials		
Opening Stock	255.11	290.50
Add : Purchases	1,388.43	1,204.45
Less : Closing Stock	338.54	255.11
Total (b)	1,305.00	1,239.84
Total (a+b)	35,048.89	34,703.15
Less : Raw Material & Packing Material lost in Fire transferred to Exceptional Items in Statement of Profit & Loss	-	1,110.62
Total	35,048.89	33,592.53

NOTE NO. 31**PURCHASES OF STOCK-IN-TRADE**

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Purchases	6,747.97	40,819.61
Total	6,747.97	40,819.61

NOTE NO. 32**CHANGES IN INVENTORY OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE**

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
a. Closing Stock		
Finished Goods	4,319.58	4,985.47
Stock in Process	20.24	44.17
Stock of Traded Goods	628.29	1,040.26
Waste, Scraps & Runner Risers	36.02	32.33
Total (a)	5,004.13	6,102.23
b. Opening Stock		
Finished Goods	4,985.47	3,336.20
Stock in Process	44.17	49.10
Stock of Traded Goods	1,040.26	219.00
Waste, Scraps & Runner Risers	32.33	8.88
Total (b)	6,102.23	3,613.18
(Increase)/Decrease in stocks (b-a)	1,098.10	(2,489.05)
Adjustment of Finished Goods lost in Fire transferred to Exceptional Items	-	873.65
Net (Increase)/Decrease in stocks	1,098.10	(3,362.70)

NOTES

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

NOTE NO. 33

EXCEPTIONAL ITEMS

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Raw Material & Packing Material lost in fire	-	1,110.62
Finished Goods lost in fire	-	873.65
GST Reversal on Raw Material and Others destroyed in fire	-	457.81
Property Plant & Equipment destroyed in fire & Non useable	-	1,841.60
Settlement amount of old show causes/demands under Excise and Service Tax under Sabka Vishwas (Legacy Dispute Resolution) scheme 2019	-	2,438.84
Write down of Insurance Claim Receivable (net)	1,003.37	-
Total	1,003.37	6,722.52
Income on account of Insurance Claim transferred to Exceptional Income	-	4,203.58
Total	1,003.37	2,518.94

NOTE NO. 34

EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Salary and Wages	4,494.11	4,615.07
Gratuity Expenses	79.27	77.63
Contribution to Provident Fund and Other Funds	174.82	190.53
Share Based Payments to Employees (net)	-	81.90
Staff Welfare Expenses	56.64	54.27
Total	4,804.84	5,019.40

NOTE NO. 35

FINANCE COSTS

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Interest on Loan	1,209.66	1,030.35
Interest Other	44.76	55.77
Interest on Lease Liability	74.98	84.29
Other Financial Charges	28.97	17.17
Interest on Income tax	0.46	2.61
Total	1,358.83	1,190.19



NOTES

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

NOTE NO. 36

DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Depreciation on Property Plant and Equipment	690.41	676.32
Depreciation on Right of use Assets	175.88	161.92
Total	866.29	838.24

NOTE NO. 37

OTHER EXPENSES

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Consumption of Stores and Spares	250.73	337.93
Audit Fees	5.78	5.96
Advertisement	536.03	534.02
Bad Debts	110.56	169.40
Bank and Other Charges	35.95	31.84
Commission on Sales	536.42	589.63
Director Sitting Fees	17.61	11.15
Electricity and Water Expenses	11.04	18.22
Freight and Forwarding Expenses	2,130.98	2,009.04
Fuel Charges	803.16	1,042.50
Insurance Charges	77.21	58.47
IIFL PMS Expenses	16.24	0.98
Legal and Professional Charges	147.39	220.46
Office Maintenance Exp.	30.88	28.77
Postage and Courier Charges	12.41	19.89
Printing and Stationery	45.32	53.55
Provision for Expected Credit Loss (net of reversal of ₹ 110.56 Lakhs) (P.Y. ₹ 169.40 Lakhs)	275.24	162.95
Power Charges	1,707.87	1,904.35
Rates, Fee and Taxes	83.70	63.99
Short term Lease	123.84	124.06
Repair and Maintenance	574.36	636.18
Sales Promotion	1,791.19	2,995.14
Telephone Expenses	60.84	65.45
Travelling and Conveyance	361.40	575.39
Realized Loss on sale of PMS	6.17	7.70
Unrealized Loss on valuation of PMS measured at fair value through profit or loss	-	139.07
Vehicle Running and Maintenance	31.94	39.16
CSR Expenses	40.00	4.83
Donation	6.04	4.11
Loss on Discarded Assets	-	2.83
Miscellaneous Expenses	18.46	16.25
Total	9,848.76	11,873.26

NOTES

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

NOTE NO. 38

PAYMENT TO THE AUDITORS

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Statutory audit fee	5.18	5.36
Tax audit fee	0.60	0.60
Total	5.78	5.96

NOTE NO. 39

EARNING PER SHARE (EPS)

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Basic and Diluted Earnings Per Share		
Profit after tax as per the Statement of Profit and Loss	1,507.62	187.29
No. of equity shares	2,69,35,500	2,65,43,250
Weighted Average No. of equity shares outstanding during the year	2,68,39,045	2,65,31,117
Basic Earning Per Share (₹)	5.62	0.71
Diluted Earning Per Share (₹)	5.62	0.70

NOTE NO. 40

THE COMPANY HAS INCURRED FOLLOWING EXPENDITURE ON RESEARCH AND DEVELOPMENT WHICH ARE INCLUDED IN THE RESPECTIVE HEADS OF EXPENSES.

(₹ in Lakhs)

Revenue Expenditure	Year ended 31st March, 2021	Year ended 31st March, 2020
Employee Cost	53.21	53.97
Testing and Laboratory Expenses	4.48	3.57
Vehicle Running Maintenance	4.17	3.01
Material Consumed	0.52	0.89
Total	62.38	61.44

NOTE NO. 41

DETAILS OF EXPENDITURE INCURRED ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES AND SHORT FALL IN SPENDING IN CSR:

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
On providing Food / vehicle for food distribution	13.45	-
On promotion of education including provision for scholarship	-	-
On welfare for disabled persons	-	-
On provision for sanitation	-	-
On Flood relief activity	-	-
On animal and environment protection	-	-
On making available safe drinking water	-	-
On promotion of health care	4.21	4.83

NOTES

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
On contribution to Kamdhenu Jeevandhara Foundation for carrying out Education & Skill development programe and also medical facilities on an on-going basis.	22.35	-
Total	40.01	4.83
Total amount to be spent on CSR activities in accordance with the provisions of section 135 of the Companies Act 2013.	39.34	49.32
Total spent amount	40.01	4.83
Unspent / (Excess spent) amount on CSR activities	(0.67)	44.49

NOTE NO. 42

CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
a. Contingent Liabilities		
(i) Claims against the Company not acknowledged as debt		
- Central Excise and Service Tax	305.00	305.00
- VAT and Entry Tax	74.18	84.36
(ii) Guarantees issued by Bank	2.00	2.00
	381.18	391.36
b. Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advance)	11.91	161.99
	11.91	161.99
Total (a+b)	393.08	553.35

NOTE NO. 43

THE DISCLOSURE OF EMPLOYEES BENEFITS AS DEFINED IN THE INDIAN ACCOUNTING STANDARD-19 "EMPLOYEE BENEFITS" ARE AS FOLLOWS:

A) DEFINED BENEFIT PLAN - GRATUITY (UNFUNDED)

I) Assumptions

a) Financial Assumptions

- Discount Rate: The rate used to discount post-employment benefit obligations is determined by reference to market yields at the balance sheet date on government bonds. The currency and term of the government bonds is consistent with the currency and estimated term of the post-employment benefit obligations as under:

Particulars	As at 31st March, 2021	As at 31st March, 2020
Interest Rate for Discounting	6.70%	6.80%

NOTES

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

- ii) Salary Increase: Salary increase takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Particulars	As at 31st March, 2021	As at 31st March, 2020
Salary Increase Rate	5.00%	5.00%

b) Demographic Assumptions

Particulars	As at 31st March, 2021	As at 31st March, 2020
Retirement Age	58 yrs	58 yrs

Mortality: Indian Assured Lives Mortality (2012-14) ult. (IALM 2012-14). Rates at specimen ages are as shown below:

Age (Years)	Rates	Age (Years)	Rates
15	0.000698	60	0.011162
20	0.000924	65	0.015932
25	0.000931	70	0.024058
30	0.000977	75	0.038221
35	0.001202	80	0.061985
40	0.001680	85	0.100979
45	0.002579	90	0.163507
50	0.004436	95	0.259706
55	0.007513	100	0.397733

Indian Assured Lives Mortality (2012-14) ultimate table are used of calculations as on 31st March, 2020 and 31st March 2021.

Withdrawal: Withdrawal rates are for all causes in accordance with the following table:

Age	As at 31st March, 2021	As at 31st March, 2020
Up to 30 Years	4% per annum	4% per annum
31 to 45 Years	2% per annum	2% per annum
Above 45 Years	2% per annum	2% per annum

Disability: Leaving service due to disability is included in the provision made for withdrawals from service.

II) Method of Valuation

- Projected unit credit (PUC) actuarial method to assess the plan's liabilities allowing for retirements, deaths-in-service and withdrawals (Resignations / Terminations).
- Under the PUC method a projected accrued benefit is calculated at the beginning of the period and again at the end of the period for each benefit that will accrue for all active members of the plan. The projected accrued benefit is based on the plan accrual formula and service as at the beginning and end of the period, but using member's final compensation, projected to the age at which the employee is assumed to leave active service. The plan liability is the actuarial present value of the projected accrued benefits as on the date of valuation.

**NOTES****FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021****III) Summary of Membership Data**

Particulars	As at 31st March, 2021	As at 31st March, 2020
Number of Employees	858	854
Qualifying Monthly Salary for Gratuity Computation	135.77	137.12
Average Past Service	5.29 yrs	4.75 yrs
Average Age	37.31 yrs	36.81 yrs
Average Outstanding Service of Employees upto Retirement	20.69 yrs	21.19 yrs

IV) Summary of Key Results

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
a) Balance Sheet		
Present Value of Defined Benefit Obligation	405.83	364.88
Fair Value of Plan Assets	-	-
Restriction on Assets Recognized	-	-
Net Liability arising from Defined Benefit Obligation	405.83	364.88
b) Statement of Profit or Loss		
Defined Benefit Costs recognized in Profit or Loss	79.27	77.63
c) Remeasurements - Other Comprehensive Income (OCI)		
Remeasurements of the net defined benefit liability (asset)	(18.48)	(9.32)
d) Break-up of Defined Benefit Obligation at end of the year as per Schedule III to The Companies Act, 2013:		
Current Liability	57.92	46.62
Non-Current Liability	347.91	318.26
Total Defined Benefit Obligation at end of the year	405.83	364.88

V) Actuarial measurements may differ in future from the current measurements due to factors such as:

- Plan experience differing from that anticipated by the economic or demographic assumptions
- Changes in economic or demographic assumptions
- Changes in plan provisions or applicable law
- Significant events since last actuarial valuation

VI) Movements in the present value of the Defined Benefit Obligations

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Opening defined benefit obligation	364.88	325.63
Current Service Cost	54.46	52.89
Interest Cost	24.81	24.75
Remeasurement (gains)/ losses:		
- Actuarial (gains)/losses arising from changes in demographic assumptions	-	(0.17)
- Actuarial (gains)/losses arising from changes in financial assumptions	4.16	(8.48)
- Actuarial (gains)/losses arising from experience adjustments	(22.64)	(0.66)
- Other	-	-

NOTES

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

VI) Movements in the present value of the Defined Benefit Obligations (₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Past service cost, including losses/(gains) on curtailments	-	-
Liabilities extinguished on settlements	-	-
Liabilities assumed in a business combination	-	-
Exchange differences on foreign plans	-	-
Benefit Paid	(19.85)	(29.07)
Others	-	-
Closing defined benefit obligation	405.83	364.88

VII) Movements in the fair value of the Plan Assets (₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Opening fair value of plan assets	-	-
Interest Income	-	-
Remeasurement gain/(loss):	-	-
Return on plan assets (excluding amounts included in net interest expense)	-	-
Others	-	-
Contributions from the employer	-	-
Benefits paid	-	-
Other	-	-
Closing fair value of plan assets	-	-

VIII) Service Cost (₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Current Service Cost	54.46	52.89
Past Service Cost including curtailment gains/losses	-	-
Gains or Losses on non routine settlements	-	-
Total	54.46	52.89

IX) Net Interest Cost (Income) (₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Interest Cost on Defined Benefit Obligation	24.81	24.75
Interest Income on Plan Assets	-	-
Net Interest Cost (Income)	24.81	24.75

**NOTES****FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021****X) Remeasurement of Defined Benefits Liability/ (Assets) in Other Comprehensive Income** (₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Return on plan assets (excluding amounts included in net interest expense)	-	-
Actuarial (gains)/ losses arising from changes in demographic assumptions	-	(0.17)
Actuarial (gains)/ losses arising from changes in financial assumptions	4.16	(8.48)
Actuarial (gains)/ losses arising from experience adjustments	(22.64)	(0.66)
Other	-	-
Adjustments for restrictions on the defined benefit asset	-	-
Components of defined benefit costs recognized in other comprehensive income	(18.48)	(9.32)

XI) Amount recognized in the Statement of Profit and Loss (₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Service Cost	54.46	52.89
Net Interest Cost (Income)	24.81	24.75
Defined Benefit Cost recognized in statement of Profit or Loss	79.27	77.63

XII) The amount included in the Balance Sheet (₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Present value of defined benefit obligation	405.83	364.88
Fair value of plan assets	-	-
Funded status	(405.83)	(364.88)
Restrictions on asset recognized	-	-
Other	-	-
Net liability arising from defined benefit obligation	405.83	364.88

XIII) Illustration of the Component of Net Defined Benefit Obligation (₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Net defined benefit liability at the start of the period	364.88	325.63
Service Cost	54.46	52.89
Net Interest Cost (Income)	24.81	24.75
Remeasurements	(18.48)	(9.32)
Contribution paid to the Fund	-	-
Benefits paid directly by the enterprise	(19.85)	(29.07)
Net defined benefit liability at the end of the period	405.83	364.88

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FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

XIV) Plan Assets - Category wise description

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
GOI Securities	-	-
PSU Bonds	-	-
State/ Central Guaranteed	-	-
Special Deposits	-	-
Private Sector	-	-
Asset Invested in Insurance Scheme with the Insurer	-	-

XV) Maturity Profile of Defined Benefit Obligation

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
a) Weighted Average duration of the defined benefit obligation	16 yrs	16 yrs
b) Duration of defined benefit obligation		
Duration (Years)		
1	57.92	46.62
2	10.68	15.27
3	11.27	9.57
4	9.01	10.02
5	25.61	8.85
Above 5	291.35	274.55
Total	405.83	364.88
c) Duration of defined benefit payments		
Duration (Years)		
1	59.83	48.18
2	11.77	16.85
3	13.25	11.29
4	11.30	12.62
5	34.28	11.90
Above 5	826.50	791.50
Total	956.95	892.33

XVI) Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

**NOTES****FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021**

- a) **Changes in Defined benefit obligation due to 1% Increase/Decrease in Discount Rate, if all other assumptions remain constant.**

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
a) Defined benefit obligation	405.83	364.88
b) Defined benefit obligation at 1% Increase in Discount rate	367.20	329.24
c) Defined benefit obligation at 1% Decrease in Discount rate	451.50	407.11
d) Decrease in Defined benefit obligation due to 1% increase in discount rate (a-b)	38.63	35.65
e) Increase in Defined benefit obligation due to 1% decrease in discount rate (c-a)	45.67	42.22

- b) **Changes in Defined benefit obligation due to 1% Increase/Decrease in Expected rate of Salary Escalation, if all other assumptions remain constant.**

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
a) Defined benefit obligation	405.83	364.88
b) Defined benefit obligation at 1% Increase in Expected Salary Escalation rate	451.83	407.45
c) Defined benefit obligation at 1% Decrease in Expected Salary Escalation rate	366.28	328.36
d) Increase in Defined benefit obligation due to 1% increase in Expected Salary Escalation rate (b-a)	46.00	42.57
e) Decrease in Defined benefit obligation due to 1% decrease in Expected Salary Escalation rate (a-c)	39.55	36.53

XVII) Defined Benefit Obligation for Gratuity Benefit for Key Management Personnel

(₹ in Lakhs)

Key Management Personnel	As at 31st March, 2021	As at 31st March, 2020
Mr. Harish Kumar Agarwal	12.85	11.76
Mr. Jogeswar Mohanty	-	2.58

XVIII) Risks associated with Plan Provisions

Risks associated with the plan provisions are actuarial risks. These risks are: (i) investment risk, (ii) interest risk (discount rate risk), (iii) mortality risk and (iv) salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to Government Bonds Yield. If plan liability is funded and return on plan assets is below this rate, it will create a plan deficit.
Interest risk (discount rate risk)	A decrease in the bond interest rate (discount rate) will increase the plan liability
Mortality risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants. For this report we have used Indian Assured Lives Mortality (2012-14) ultimate table. A change in mortality rate will have a bearing on the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

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B) LEAVE ENCASHMENT

The provision for leave encashment based on actuarial valuation has been included in provisions - current and non-current and does not require disclosure as mentioned in para 158 of Ind AS 19.

NOTE NO. 44

The Company makes contribution to Statutory Provident Fund in accordance with Employees Provident Funds and Miscellaneous Provisions Act 1952. This is the post employment benefit and is in the nature of defined contribution plan. The total amount contributed to provident fund during the financial year is ₹159.56 Lakhs (previous year ₹172.70 Lakhs) and is included in Note no. 34 "Employees Benefit expenses".

NOTE NO. 45

FINANCIAL RISK MANAGEMENT

The Company's activities expose it to variety of financial risks viz. commodity price risk, credit risk, liquidity risk and capital risk. These risks are managed by the senior management of the Company supervised by the Board of Directors to minimize potential adverse effects on the financial performance of the Company.

i) Commodity Risk

Demand/supply risk are inherent in the prices of Ingot/Billet, the main raw material and also the prices of TMT bar, the main product in Steel segment. The requirement of raw material is sourced on spot basis so as to float with fluctuations in the market and to guard against price volatility. The Company has also linked its sales to raw material prices so that the Company has adequate cushion to protect its margin in the event of any increase/decrease in raw material costs. The main raw material in paint segment is Alkyd Resin/Titanium Dioxide and its prices fluctuates based on change in international crude oil prices. In Paints segment, the volatility in final product prices is dependent on market forces.

ii) Credit Risk

Credit risk from cash and cash equivalents and bank deposits is considered immaterial in view of the credit worthiness of the banks, the Company works with. The Company has specific policies for managing customer credit risk on an ongoing basis; these policies factor in the customer's financial position, past experience and other customer specific factors.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company makes provision for doubtful debt or writes off when a debtor fails to make contractual payments based on provisioning matrix. When loans or receivables have either been provided for or written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. When recoveries are made, these are recognized in Statement of Profit and Loss. The Company has followed Expected Credit Loss (ECL) model to provide for provision for ECL allowance.

The Company do not envisage any financial difficulties resulting in additional credit risk higher than usual credit terms due to COVID-19 outbreak and allowance for expected credit loss is not estimated to exceed the amount already created in books of accounts.

iii) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash and another financial asset. The Company's approach to managing liquidity is to ensure as far as possible that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed condition, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of surplus funds, bank overdrafts, bank loans. The Company considers liquidity risk as low risk.



NOTES

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

iv) Interest Rate Risk

Interest rate is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rate. The Company has taken term loan and working capital limits from bank which has considered as variable rate borrowing. The detail of gross borrowings and interest rate sensitivity of borrowing is as under:-

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Fixed rate borrowings	85.05	95.66
Variable rate borrowings	9,279.86	11,747.82
Total Borrowings	9,364.91	11,843.48

Inter Corporate Loan of ₹ 2 Lakhs (P.Y. 1 Lakhs) is non interest bearing, therefore, not included in gross borrowings for Interest rate risk management.

The impact on profit before tax of change in 50 basis points on variable rate borrowings are as under:-

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Increase in 50 basis point	(46.40)	(58.74)
Decrease in 50 basis point	46.40	58.74

v) Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

(₹ in Lakhs)

31st March, 2021	CONTRACTUAL CASH FLOWS				
	Carrying amount	Within 1 year	1-2 years	2-5 years	More than 5 years
Borrowings:					
Vehicle Loan	85.05	664.70	173.07	62.93	-
Covid Term Loan	815.65	626.63	189.02		
Working Capital	9,281.86	9,281.86			
Leased Liabilities	658.20	152.34	134.76	371.10	
Trade Payables	10,268.91	10,268.91			
Other financial liabilities	1,481.49	737.97	743.52		

(₹ in Lakhs)

31st March, 2020	CONTRACTUAL CASH FLOWS				
	Carrying amount	Within 1 year	1-2 years	2-5 years	More than 5 years
Borrowings:					
Vehicle Loan	95.66	52.15	14.19	29.32	
Working Capital	11,748.82	11,748.82			
Loan from Director	1.00	1.00			
Leased Liabilities	823.54	165.34	152.34	505.86	
Trade Payables	12,209.88	12,209.88			
Other financial liabilities	1,547.10	817.83	729.27		

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FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

vi) Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Company monitors capital using gearing ratio which is net debt divided by total equity. The Company's net debts includes interest and non interest bearing loans less cash and bank balances.

The Company's net debt to Equity ratio is as under:

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Total Bank Borrowings	9,366.91	11,844.48
Less: Cash and Cash Equivalents	237.96	267.76
Adjusted net debt	9,128.95	11,576.72
Total Equity	19,475.24	18,068.83
Adjusted net debt to total equity	46.87%	64.07%

The Company's total owned funds of ₹ 19,475.24 Lakhs is considered adequate by the management to meet its business interest and any capital risk it may face in future.

vii) Foreign Exchange Risk

The Company do not have any foreign currency exposure, hence no foreign currency risks.

NOTE NO. 46

FINANCIAL INSTRUMENTS: ACCOUNTING CLASSIFICATION, FAIR VALUE MEASUREMENTS

(₹ in Lakhs)

31st March, 2021	Carrying Value	Classification			Fair Value		
		FVTPL	FVTOCI	Amortized Cost	Level 1	Level 2	Level 3
Financial Assets:							
Investment in Subsidiary	1.00			1.00			
Investment Other	852.43	617.23	235.20	-	617.23		235.20
Loans	51.27			51.27			
Other Financial Assets	2,907.50			2,907.50			
Trade Receivable	19,950.55			19,950.55			
Cash and cash equivalents	237.96			237.96			
Other Bank Balances	172.19			172.19			

(₹ in Lakhs)

31st March, 2021	Carrying Value	Classification			Fair Value		
		FVTPL	FVTOCI	Amortized Cost	Level 1	Level 2	Level 3
Financial Liabilities:							
Borrowings	9,364.91			9,364.91			
Intercompany Loan	2.00			2.00			
Leased Liabilities	658.20			658.20			
Trade Payables	10,268.91			10,268.91			
Other Financial Liabilities	1,481.49			1,481.49			

**NOTES****FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021**

(₹ in Lakhs)

31st March, 2020	Carrying Value	Classification			Fair Value		
		FVTPL	FVTOCI	Amortized Cost	Level 1	Level 2	Level 3
Financial Assets:							
Investment Other	620.90	353.30	267.60	-	353.30		267.60
Loans	48.38			48.38			
Other Financial Assets	4,511.47			4,511.47			
Trade Receivable	21,211.20			21,211.20			
Cash and cash equivalents	267.76			267.76			
Other Bank Balances	225.79			225.79			

(₹ in Lakhs)

31st March, 2020	Carrying Value	Classification			Fair Value		
		FVTPL	FVTOCI	Amortized Cost	Level 1	Level 2	Level 3
Financial Liabilities:							
Borrowings	11,843.48			11,843.48			
Loan from director	1.00			1.00			
Leased Liabilities	823.54			823.54			
Trade Payables	12,209.88			12,209.88			
Other Financial Liabilities	1,547.10			1,547.10			

NOTE NO. 47**A) OPERATING SEGMENT**

Operating segments are established on the basis of those components that are evaluated regularly by the Management in deciding how to allocate resources and in assessing performance. The Company is principally engaged in two business segment viz., Steel and Paint.

The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with following additional policies for segment reporting:

- Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".
- Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

Particulars	As at 31st March, 2021	As at 31st March, 2020
Segment Revenue		
- Steel	42,314.94	73,349.48
- Paints	20,207.19	19,029.75
Gross Revenue from Operations	62,522.13	92,379.23
Segment Results		
- Steel	5,795.66	2,810.83
- Paints	(1,492.42)	(479.84)
Profit/(Loss) before finance cost, Tax and unallocable items	4,303.23	2,330.99

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Particulars	As at 31st March, 2021	As at 31st March, 2020
Less: Finance cost	1,358.83	1,190.19
Less: Other Unallocable Expenditure net of Income	849.95	1,186.60
Total Profit / (loss) before Tax	2,094.46	(45.81)
Segment Assets		
- Steel	20,763.20	22,305.59
- Paints	21,044.03	22,845.86
- Unallocable	1,305.84	1,254.24
Total Segment Assets	43,113.07	46,405.69
Segment Liabilities		
- Steel	7,318.41	10,257.86
- Paints	15,774.90	17,516.50
- Unallocable	544.52	562.50
Total Segment Liabilities	23,637.83	28,336.86

B) INFORMATION ABOUT GEOGRAPHICAL AREAS

The following information discloses revenue from external customers based on geographical area.

- i) Revenue from external customers

		(₹ in Lakhs)
India	62,522.13	92,379.23
Outside India	-	-

- ii) None of the non-current assets are located outside India.

- iii) Revenue from transactions with a single external customer amounting to 10% or more of the Company is as under

Particulars	As at 31st March, 2021	As at 31st March, 2020
No. of customers	-	1
Amount (₹ in Lakhs)	-	14,153.77

NOTE NO. 48

RELATED PARTY DISCLOSURES

Related party disclosures as required by Indian Accounting Standard (Ind AS) -24 is as under:

A. Related Parties and their Relationship

Nature of Relationship	Name of Related Party
Key Management Personnel	Sh. Satish Kumar Agarwal, Chairman & Managing Director Sh. Sunil Kumar Agarwal, Whole Time Director Sh. Saurabh Agarwal, Whole Time Director Sh. Sachin Agarwal, Whole Time Director Sh. Harish Kumar Agarwal-Chief Financial Officer Sh. Jogeswar Mohanty-Company Secretary till 30th November, 2020 Sh. Ashish Kapil-Company Secretary from 16th January, 2021 To 3rd April, 2021
Other	Ms. Somya Agarwal (D/o Sh. Sunil Kumar Agarwal - Whole Time Director)
Subsidiary Company	Kamdhenu Concast Limited (Company in which directors are interested)
Step Subsidiary Company	Kamdhenu Ventures Limited Kamdhenu Colour and Coatings Limited

**NOTES****FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021****B. Disclosure of Transactions with Related Parties, as required by Ind AS 24 'Related Party Disclosure' is given below:**

(₹ in Lakhs)

Remuneration/Perquisites	Year ended 31st March, 2021	Year ended 31st March, 2020
Short-term employee benefits to Key Managerial Personnel		
Sh. Satish Kumar Agarwal, Chairman & Managing Director	144.54	150.79
Sh. Sunil Kumar Agarwal, Whole Time Director	142.17	147.79
Sh. Saurabh Agarwal, Whole Time Director	138.79	144.79
Sh. Sachin Agarwal, Whole Time Director	138.79	144.79
Sh. Harish Kumar Agarwal-Chief Financial Officer	34.44	35.06
Sh. Jogeswar Mohanty-Company Secretary	8.39	13.29
Sh. Ashish Kapil- Company Secretary	4.61	-
Total	611.73	636.52
Defined Benefit Obligation - Gratuity		
Sh. Harish Kumar Agarwal-Chief Financial Officer	12.85	11.76
Sh. Jogeswar Mohanty-Company Secretary	-	2.58
Total	12.85	14.35
Share Based Payment- ESOS		
Sh. Harish Kumar Agarwal-Chief Financial Officer	19.00	20.81
Sh. Jogeswar Mohanty-Company Secretary	3.80	4.16
	22.80	24.97
Director Sitting Fee		
Sh. Mahendra Kumar Doogar, Independent Director	5.20	3.65
Sh. Ramesh Chand Jain, Independent Director	2.80	1.20
Sh. Ramesh Chandra Surana, Independent Director	5.01	3.50
Mrs. Nishal Jain, Independent Director	4.60	2.80
Total	17.61	11.15
C) Others Transactions		
Ms. Somya Agarwal - Employee Benefits (D/o Sh. Sunil Kumar Agarwal - Whole Time Director)	27.45	28.65
Loan from Kamdhenu Concast Limited (Company in which directors are interested)	2.00	
Loan from Director (Sh. Sunil Kumar Agarwal)		1.00
Repayment of Loan from Director (Sh. Sunil Kumar Agarwal)	1.00	
D) i) Outstanding Inter corporate Loan	2.00	-
ii) Outstanding Loan from Director	-	1.00

NOTE NO. 49**EMPLOYEES STOCK OPTION SCHEME**

The Company had formulated "Kamdhenu Employee Stock Option Scheme, 2017" (ESOS-2017) which was initially approved by the Board of Directors on 20th April, 2017 and thereafter approved by the Shareholders on 5th June, 2017. The Company has got approval of the ESOS-2017 from NSE and BSE on 9th January, 2018 and 19th January, 2018 respectively. The Company, in the meeting of its Nomination & Remuneration Committee held on 29th January, 2018, granted 6,15,000 options at a price of ₹ 50/- per option, which is equal to one share of ₹ 10/-, to the employees of the Company based on the criteria set by the Committee. By virtue of ESOS-2017, employees can vest their right to exercise in four years i.e. 25% each year commencing from the end of the one year from the date of option granted. The exercise period commences from the date of vesting of the option and expires at the end of three months from the date of such vesting. During the year ended 31st March, 2019, 143250 share option got vested and 30750 share option got forfeited/ lapsed. During the year ended 31st March, 2020 following major amendments done in ESOS-2017.

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S. No.	Particular	Major Terms of Original ESOS-2017	Variation done during FY 2019-20 by way of Amendment
1	Exercise Period	3 Year from the respective date of each vesting as per vesting schedule in pursuance of this ESOS 2017	Six month from the date of completion of 2 year from the date of option originally granted
2	Vesting Schedule	FY 2018-19	1,53,750 Shares (25%)
		FY 2019-20	1,53,750 Shares (25%)
		FY 2020-21	1,53,750 Shares (25%)
		FY 2021-22	1,53,750 Shares (25%)
3	Exercise Price	50 ₹ Per Share	10 ₹ Per Share

The above amendments including few others carried out in Kamdhenu Employee Stock Option Scheme, 2017 was approved by Nomination & Remuneration committee and Board of Directors in their meeting held on 31st January, 2020 and also by shareholders of the Company through postal ballot on 18th March, 2020.

Accordingly, 3,92,250 equity shares (net of lapses & forfeited) got vested itself on 18th March, 2020 during year ended 31st March, 2021.

No options under the aforesaid scheme are pending.

3,92,250 Equity shares of ₹ 10 each vested in FY 2019-20 were allotted to eligible employees during FY 2020-21 on 29th June, 2020.

NOTE NO. 50

The Ministry of Corporate Affairs (MCA) through Companies (Indian Accounting Standard) Amendment Rules 2019 and Companies (Indian Accounting Standard) Second Amendment Rules has notified Ind AS 116 'leases' which replaces existing lease standard, Ind AS 17 Leases and other Interpretation. Ind AS 116 sets out the principles for recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single on balance sheet lease accounting model for lessees.

The Company has adopted Ind AS 116 effective annual reporting period beginning from 1st April, 2019 and applied the standard to its leases retrospectively with the cumulative effect of initially applying the standard, recognized on the date of initial application (01 April, 2019). The cumulative effect of initially applying standard has been recognized as an adjustment to opening balance of retained earnings as on 1st April, 2019.

On application of Ind AS 116, the nature of expense 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 detail of right of use asset held by the Company is as follows:

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Building		
Opening Balance of Right of use assets	676.21	738.68
Addition in Right of use assets during the year ended	-	99.45
Amortization of Right of use assets	(175.88)	(161.92)
Closing Balance of Right of use assets	500.33	676.21

Depreciation on right of use asset is ₹ 175.88 Lakhs and interest on lease liability for year ended 31st March, 2021 is ₹ 74.98 Lakhs.

Lease Contracts entered by the Company majorly pertains to building taken on lease to conduct the business activities in ordinary course.



NOTES

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

Impact of Covid-19

The leases that the Company has entered with lessors towards properties used as corporate office/office are long term in nature and no changes in terms of those leases are expected due to Covid-19.

The following is breakup of Current and Non-Current Lease Liability as at 31st March, 2021.

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Current lease liability	152.34	165.34
Non-Current lease liability	505.86	658.20
Total	658.20	823.54

The following is movement in Lease Liability during the year ended 31st March, 2021:

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Balance at the beginning of the year	823.54	854.55
Addition during the year	-	99.45
Finance cost accrued during the year	74.98	84.29
Deletion	-	-
Payment of lease liability and Interest there on	240.32	214.76
Balance at the end of the year	658.20	823.54

The table below provides details regarding the Contractual Maturities of Lease Payment as at 31st March, 2021 on an Undiscounted basis:

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Less than one year	210.87	240.33
One to five year	597.26	808.13

The Company do not foresee Liquidity Risk with regard to its Lease Liabilities as the Current Assets are Sufficient to meet the obligation related to Lease Liability as and when they fall due.

NOTE NO. 51

The Board of Directors and Shareholders of the Company in their meetings held on 31st January, 2020 and 18th March, 2020 respectively have approved the Scheme of Arrangements including de-merger of paint business into a separate company considering the 1st April, 2020 as appointed date. The Company also received in-principal approval from Stock Exchanges NSE and BSE, where the shares of the Company are listed, on 28th September, 2020. The paint business of the Company will be de-merged into Kamdhenu Colour and Coating Limited, a wholly owned subsidiary company of Kamdhenu Ventures Limited, which shall have identical shareholding and shall be independently listed through scheme of arrangement on the said Stock Exchanges. As on date, Kamdhenu Ventures Limited is also a wholly owned subsidiary company of Kamdhenu Limited and Kamdhenu Colour and Coatings Limited has become the step down subsidiary of Kamdhenu Limited. The Company has already filed Scheme of Arrangement with Honourable NCLT, Chandigarh on 18th March, 2021 for its approval. The necessary accounting relating to de-merger of Paint Business in the financial statements shall be carried out in the year of its approval by the competent authorities of such Scheme of Arrangement and filing of necessary documents with Registrar of Companies, accordingly the audited financial statements for the year ended 31st March, 2021 do not reflect the impact on account of scheme.

NOTES

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

NOTE NO. 52

During the financial year ended 31st March, 2020, the Company accounted for insurance claim receivable of ₹ 4203.58 Lakhs on account of Fire at Paint Factory of the Company on mid night of 27-28th April, 2019 and shown the same as "Exceptional Item" after netting off amount of loss of fire of ₹ 4283.68 Lakhs. The insurance company during FY 2020-21 was in the process of evaluating claim amount and based on its interim assessment, out of such insurance claim recoverable, an amount of ₹1003.36 Lakhs (net) is likely to be deducted, accordingly the Company have written off ₹ 1003.36 Lakhs and shown as "Exceptional Item". An amount of ₹ 557.21 Lakhs out of Insurance claim recoverable had already been received in FY 2020-21 including salvage disposal of ₹ 57.21 Lakhs and balance amount is expected to be realized in the current financial year.

NOTE NO. 53

The Company continues to monitor the impact of COVID 19 on its business including its impact on customers, supply chain etc. Due care has been exercised on significant accounting judgement and estimates including in relation to recoverability of receivables, inventory and other financial assets based on information available to date while preparing the Company's financial statements for the FY 2020-21.

NOTE NO. 54

(₹ in Lakhs)

Statement Containing Salient features of Subsidiary	As at 31st March, 2021	As at 31st March, 2020
Name of Subsidiary (Consolidated)	Kamdhenu Ventures Limited	Kamdhenu Ventures Limited
Reporting Period	1st April, 2020 to 31st March, 2021	21st January, 2020 to 31st March, 2020
Share Capital	3.04	3.04
Reserve & Surplus	(2.83)	(1.34)
Total Assets	2.65	3.37
Total Liabilities	2.44	1.67
Investment	Nil	Nil
Turnover	Nil	Nil
Profit (Loss) after Tax	(1.49)	(1.34)
% of Share Holding	100%	100%

Kamdhenu Colour and Coatings Limited is wholly owned subsidiary company of Kamdhenu Ventures Limited and Kamdhenu Ventures Limited is the wholly owned subsidiary of Kamdhenu Limited, accordingly Kamdhenu Colour and Coatings Limited is step subsidiary company of Kamdhenu Limited. The Financial statement of Kamdhenu Colour and Coatings Limited as at 31st March, 2021 have been consolidated in Kamdhenu Ventures Limited and Consolidated Financial statement of Kamdhenu Ventures Limited have been consolidated in Kamdhenu Limited. The Statement containing salient features are based on consolidated financial statement of Kamdhenu Ventures Limited.

NOTES

FORMING AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

NOTE NO. 55

Additional information pursuant to schedule III of the Companies Act 2013:

(₹ in Lakhs)

Name of the entity	Net Assets		Share in profit (loss)	
	As % of consolidated net assets	Amount	As % of consolidated Profit/(loss)	Amount
Subsidiary Companies:				
Kamdhenу Ventures Limited (Consolidated)	0.0011%	0.21	-0.10%	(1.49)

NOTE NO. 56

The Ministry of Corporate Affairs (MCA) notifies new Indian Accounting Standards or amendments there to. There is no such notification which would have been applicable from 1st April, 2021.

NOTE NO. 57

DISCLOSURE IN ACCORDANCE WITH REQUIREMENTS UNDER IND AS-10 EVENT AFTER THE REPORTING DATE:

The Board of Directors of the Company have recommended dividend of ₹ 0.80 per share for the financial year ended 31st March, 2021 for the approval of shareholders. The actual dividend outgo will be dependant on share capital outstanding as on record date.

NOTE NO. 58

Previous years figures have been regrouped, rearranged or reclassified, whenever necessary to confirm the current year's classification.

As per our report of even date attached

For B S D & CO.

Chartered Accountants
Firm Registration No. 000312S

(Surendra Khinvasra)

Partner
Membership No.070804

Date : 21st June, 2021

Place : Gurgaon

For and on behalf of board of directors

(Satish Kumar Agarwal)

Chairman & Managing Director
DIN: 00005981

(Harish Kumar Agarwal)

Chief Financial Officer

(Sunil Kumar Agarwal)

Whole Time Director
DIN: 00005973



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