

## KAMDHENU LIMITED

### Financial Highlights for Q2 FY22

Overall Revenues stood at Rs. 215.5 cr , EBITDA stood at Rs.14 cr & PAT stood at Rs.7.7 cr

Paint Business: Revenue stood at Rs. 62.9 cr, Volumes stood at 8,351 KL, Reported positive EBIT\* of Rs.3.6 cr

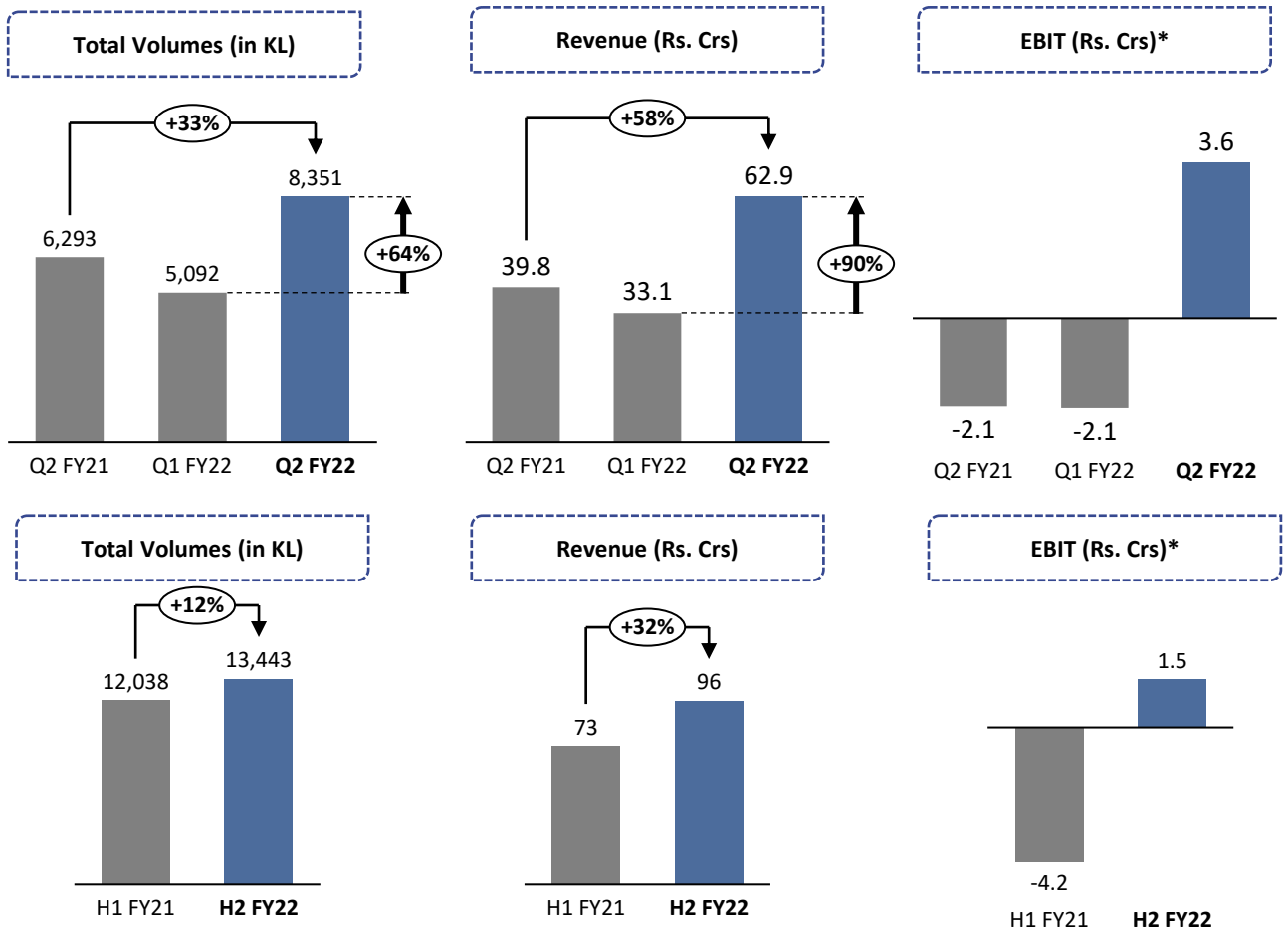
Steel Business: Brand Turnover stood at Rs. 3,792 cr, Royalty Income at Rs.22.5 cr

Franchisee Sales Volumes at 6.02 lakh MT

Investor Release : 10<sup>th</sup> November, 2021, Gurugram/ New Delhi

**Kamdhenu Limited**, India's largest manufacturer and seller of branded TMT Bars, in the retail segment, has declared its Unaudited Financial Results for the Quarter and Half Year ended 30<sup>th</sup> September, 2021.

#### Paint Business - Key Highlights for Q2 & H1 FY22



\*not adjusted for unallocable expenses

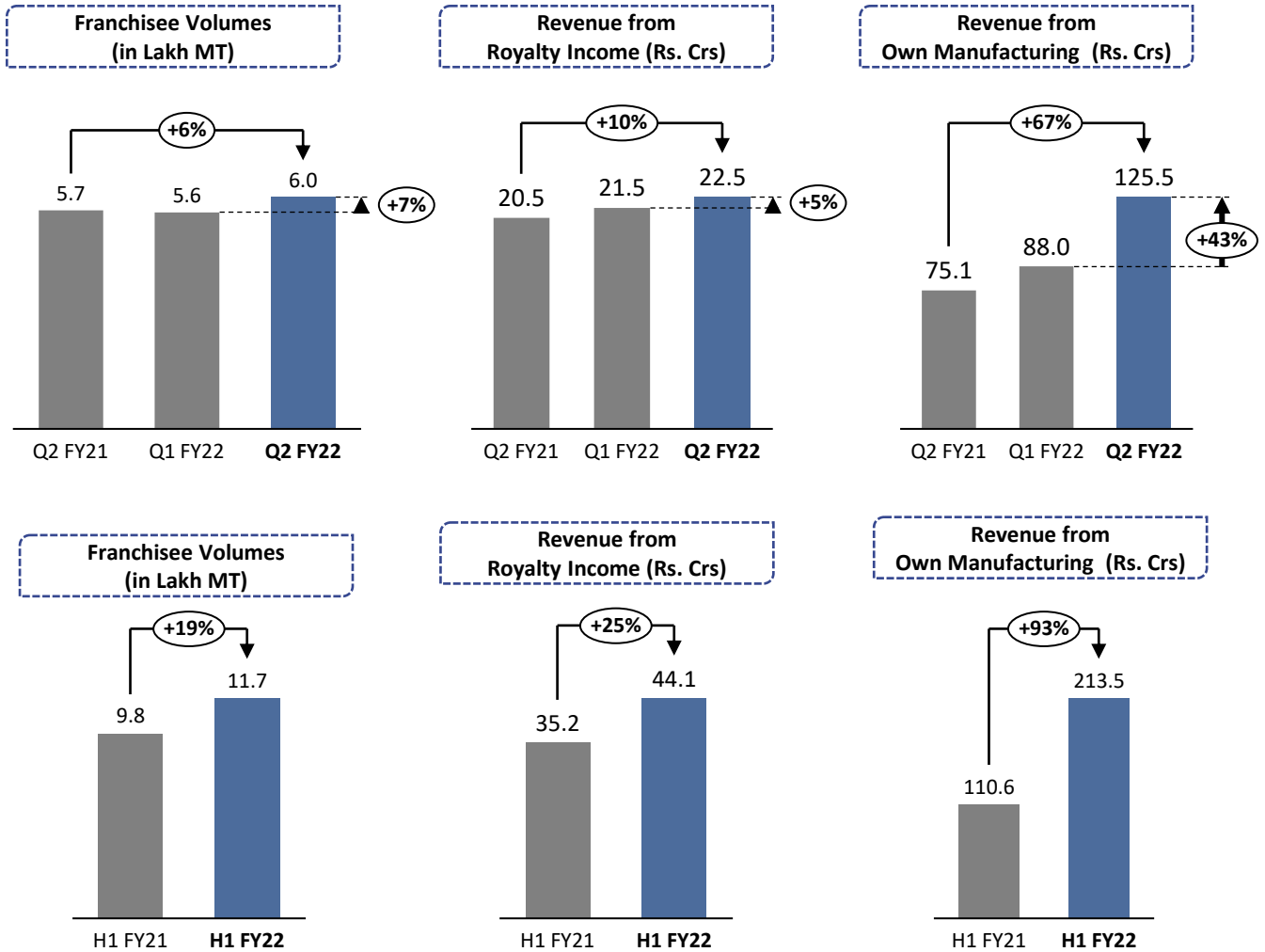


- Paint Business contributed 29% of Revenues in Q2 FY22
- Post Q1 FY22, we started witnessing gradual recovery in economic activities and business coming back to normal levels. We have witnessed good demand traction in paints business
- Value growth was higher viz a viz volume growth YoY on account of change in product mix and selling of high value products like premium emulsions, colourants and stainers during Q2 FY22
- As of 4<sup>th</sup> October, 2021, the Company has fully received the insurance claim of Rs.15.44 crores towards the loss of stocks. Insurance claim towards building, plant & machinery is under process and expected to be received within this financial year

#### **Update on Scheme of Arrangement for Demerger of Paints Business in a Separate Company**

- Post approval of the scheme of arrangement by the equity shareholders, secured creditors and unsecured creditors of the Company in their respective meetings held on 25<sup>th</sup> September, 2021 under the supervision of NCLT, Chandigarh bench, the Company has filed 2<sup>nd</sup> Motion petition physically with NCLT for its approval on 5<sup>th</sup> October, 2021

## Steel Business - Key Highlights for Q2 & H1 FY22



- Steel Business contributed 71% of Revenues in Q2 FY22
- Post Q1 FY22, economic and construction activities started back and speeding up, sales has picked up from June 2021 onwards
- Franchise units and own manufacturing plant is operating smoothly
- Capacity utilization from the own manufacturing plant at Bhiwadi stood at ~84% for Q2 FY22



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

*“ With rapid pace of vaccination witnessed in the country and significant drop in covid cases and unlocking of the economy, there has been revival in demand. A lot of confidence is evident post 2<sup>nd</sup> wave of Covid which will augur well for operations of businesses and should enable a more stable and conducive operational environment. Q2 FY22 has been healthy quarter with overall revenues of Rs.215.5 crores, EBITDA of Rs.14 crores and PAT of Rs.7.7 crores.*

*Coming to our paints business, we have clocked revenue growth of 58% YoY in Q2 FY22. We have seen good demand traction for our products. I am pleased to share that our own paint factory at Chopanki, Rajasthan which was under partial operations post fire incident is fully functional now. With state of art facility and upgraded manufacturing capabilities, our Company is ready to fulfill the demand for products from this facility. Our focus is on expanding our pan-India visibility through aggressive spends on advertising and promotions. We expect with increasing consumer preference for home upgradation and renovation, demand for paint products will remain strong.*

*In our steel segment we have reported a revenue growth of 58% YoY to Rs. 152.7 crores in Q2 FY22. We have witnessed robust demand for steel products which was on back of increased construction and railway activities. During Q2 FY22, there was mismatch in demand and supply which led to fall in realizations as against raw material prices which did not come down due to unprecedented increase in coal price. However, currently the prices of finished products are back to Q1 FY22 level and we expect good growth momentum ahead.*

*With Government’s impetus for infrastructure creation and pick up in real estate projects, we expect increase in demand for steel and paint products going ahead. We command a dominant market share in the organized retail segment of steel and paint industry. With our strong brand, new product categories in decorative paints, marketing and distribution network and unique asset light model, we are well placed to capture any opportunities in future. We aspire to align our brands as brands of people’s choice and increase our brand turnover to 22,000 Crores by FY 2023-24. ”*



## About Kamdhenu Limited


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

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

## Safe Harbor Statement

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

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