



KAMDHENU LIMITED

Financial Highlights for Q4 FY21

Overall Revenues at Rs. 222.4 cr (+21% QoQ), EBITDA at Rs.20.4 cr (+50% QoQ)

& PBT(Excl. Exceptional item) at Rs.15.6 cr (+61% QoQ)

Paint Business: Revenue at Rs. 67.3 cr (+8% QoQ), Volumes at 9,580 KL (+10% QoQ)

Steel Business: Brand Turnover at Rs. 4,061 cr (+21% QoQ), Royalty Income at Rs.26.6 cr (+13% QoQ),

Franchisee Sales Volumes at 6.98 lakh MT (+10% QoQ)

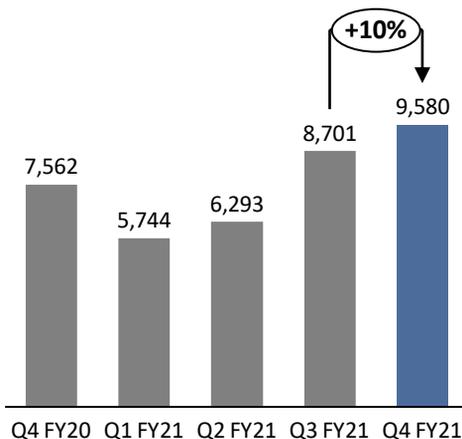
Final Dividend of Rs.0.80 per share (8% of FV)

Investor Release : 21st June 2021, Gurugram/ New Delhi

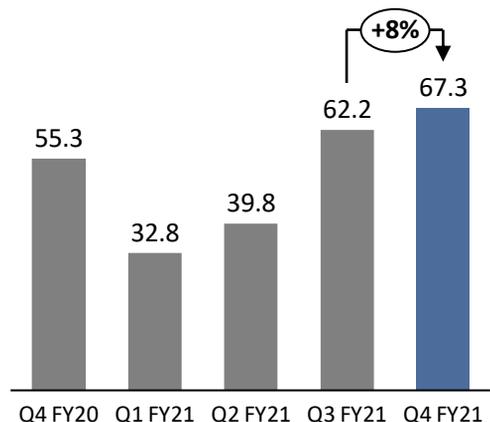
Kamdhenu Limited, India's largest manufacturer and seller of branded TMT Bars, in the retail segment, has declared its Audited Financial Results for the Quarter and Year ended 31st March 2021.

Paint Business - Key Highlights for Q4 FY21

Total Volumes (in KL)



Revenue* (Rs. Crs)

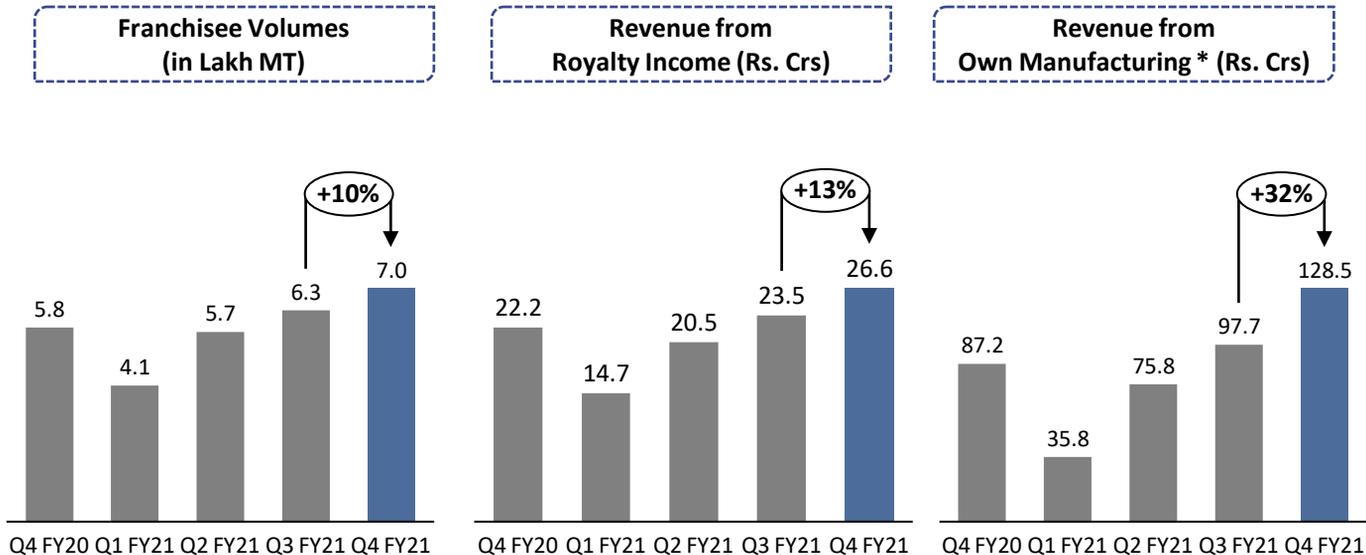


- Post strong Q3, growth momentum has continued in Q4 FY21 with unlock of economy and strong demand from urban areas and metros. Despite Covid-19, we have grown on sequential basis
- Paint Business contributed 30.3% of Revenues in Q4 FY21
- Focus on increasing share of premium and environment-friendly products
- Consistent importance given to advertising and promotions by recent collaboration with Preity G Zinta as the Brand Ambassador for decorative paints business under brand name Kamdhenu Paints

Update on Scheme of Arrangement

- The draft scheme of arrangement including the demerger of paints business in a separate company has been filed with the Hon'ble National Company Law Tribunal, Chandigarh Bench, for its approval on 15th March, 2021 whereas NSE and BSE have already issued its observation letter on the scheme of arrangement on 28th September, 2020.

Steel Business - Key Highlights for Q4 FY21



- Steel Business contributed 69.7% of Revenues in Q4 FY21
- The Company has recouped its business strategy of reducing B2B trading sales and focused on improving efficiencies in Own Manufacturing and on franchisee-based business model driving growth

***Note:** Earlier discounts, promotion expenses & credit notes issued to channel partners were recorded under other expenses have been netted from revenue line starting Q1 FY20



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

“ Despite the challenging year, we have ended FY21 on strong note. We have delivered a steady performance in a year that has been marked by uncertainty due to Covid-19. The spread of Covid-19 last year in March 2020 had led to severe disruption in business operations across industries. However, with the unlocking of the economy and easing of restrictions have led to increased business activities. We have witnessed strong quarter on quarter improvement in both our business segments. Our capacity utilisation at both plants has been increasing gradually. In spite of Covid-19 impact, we have clocked revenues of Rs. 625.2 crores, EBITDA of Rs. 49.8 crores and PBT(excluding exceptional item) of Rs. 31 crores for overall business for FY21. We have delivered strong operational cashflow of Rs. 50.2 crores for FY21.

We are delighted to share that our paints segment has reported revenue growth of 8% QoQ for Q4 FY21. Demand momentum has sustained in Q4 FY21. Demand has remained robust in Tier 1, metros and urban areas. Our Company reported volume growth of 10% QoQ which was on back of improved wedding season and revival in urban areas and metros. We are continuously striving on expanding our pan-India visibility through aggressive spends on advertising and promotions. With a focus on sustainability, Kamdhenu Paints have made all their paint products ecofriendly ensuring that beauty of nature remains intact. We have witnessed certain delay in the restoration of the remaining building/ plant & machinery due to the second wave of Covid-19. Full-fledged operations are expected to commence soon which will further boost our growth trajectory. In the near term, paint industry players are likely to witness headwinds due to high raw material prices and second wave of Covid-19. However, going ahead, we expect normalization of activities. Reducing painting cycle and change in consumer behaviour should augur well for organised paint companies.

In our steel segment we have witnessed a robust volume growth of 10.5% QoQ and revenue growth of over 27.9% QoQ in Q4 FY21. Total brand sales turnover is up 21.1% QoQ in Q4 FY21 and we have clocked brand sales turnover of ~ Rs.12,000 crores for FY21 despite of the disruption in Q1 FY21. Our Company has achieved royalty income of Rs. 26.6 crores in Q4 FY21. This is on the back of uniqueness of our brand which has established positive perception across the masses. Steel demand has remained robust and continues to rise on back of pickup in construction activities. Steel demand is driven by gradual pick up in real estate with relaxation in stamp duties in some states and government’s thrust on infrastructure spends.

Our country has been affected by the second wave of covid virus. However with phased unlocking of the economy and Government’s initiative of vaccination program, now open to all above 18 years, will achieve large scale immunity among the population and economic activities will be back to previous levels in due course.

To conclude Q4 FY21 was a quarter with steady performance. We have seen strong demand for our product offerings. Here at Kamdhenu, we always believe in improving cost efficiencies and committed to developing world class products to address the evolving needs of the consumer. We are looking to penetrate further in markets where our presence is less and strengthen our footprints in existing geographies. Going ahead, we are committed towards introducing new products and expanding our business with more franchisees and dealers.”



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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