



KAMDHENU LIMITED

Financial Highlights for Q3 FY21

Overall Revenues at Rs. 192.8 cr (+32% QoQ), EBITDA at Rs.13.7 cr (+56% QoQ) & PAT at Rs.7.2 cr (+186% QoQ)

Paint Business: Revenue at Rs. 71.2 cr (+45% QoQ), Volumes at 8,701 KL (+38% QoQ)

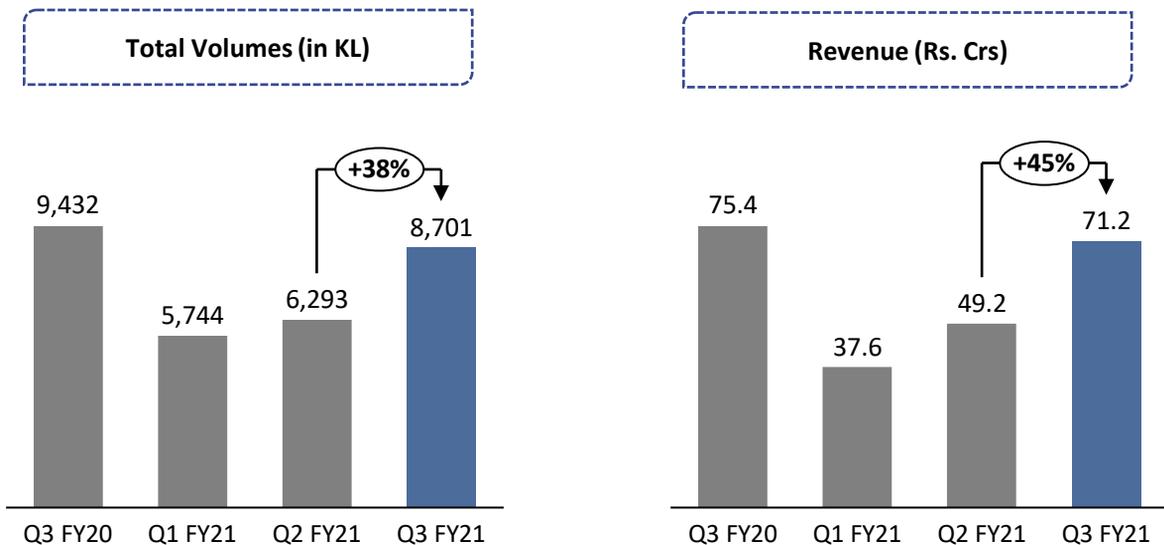
Steel Business: Brand Turnover at Rs. 3,353 cr (+27% QoQ), Royalty Income at Rs.23.5 cr (+15% QoQ),

Franchisee Sales Volumes at 6.34 lakh MT (+11% QoQ)

Investor Release : 3rd February 2021, Gurugram/ New Delhi

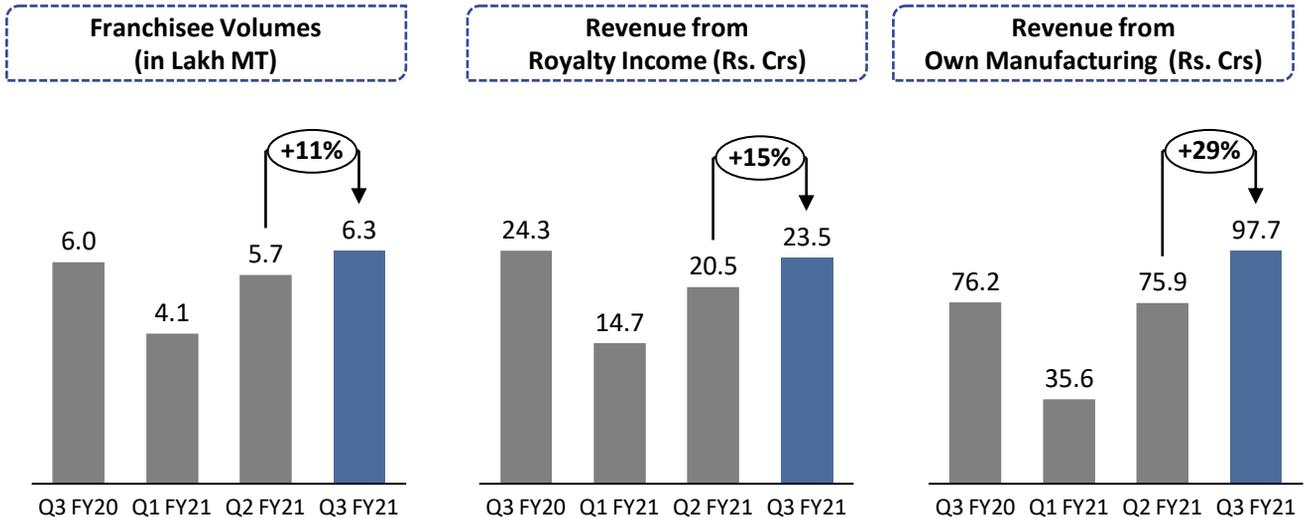
Kamdhenu Limited, India's largest manufacturer and seller of branded TMT Bars, in the retail segment, has declared its Unaudited Financial Results for the Quarter and Nine Months ended 31st December 2020.

Paint Business - Key Highlights for Q3 & 9M FY21



- Post unlocking of the economy, there has been a significant uptick in the business trajectory
- Contributed 36.9% of Revenues in Q3 FY21 as compared to 33.6% in Q2 FY21 and 29.5% in Q3 FY20
- Continued thrust on expanding visibility and brand presence through aggressive advertising and promotions
- Focus on increasing share of premium and environment-friendly products
- Phase II of restoration of remaining building/ plant & machinery to be completed by the end of Q4 FY21 and full-fledged operations are expected to commence from Q1 FY22 to drive next level of growth

Steel Business - Key Highlights for Q3 & 9M FY21



- Steel Business contributed 63.1% of Revenues in Q3 FY21 as compared to 66.4% in Q2 FY21 and 70.5% in Q3 FY20
- Recouped business strategy of reducing B2B trading sales and focusing on improving efficiencies in Own Manufacturing and on franchisee-based business model driving results

Update on Scheme of Arrangement

- The draft scheme of arrangement of the Company and Kamdhenu Concast Ltd, Kamdhenu Overseas Ltd, Kamdhenu Paint Industries Ltd, Kamdhenu Infradevelopers Ltd, Kamdhenu Nutrients Pvt Ltd, Kay2 Steel Ltd, Tiptop Promoters Pvt Ltd, Kamdhenu Ventures Ltd and Kamdhenu Colour and Coatings Ltd and their respective shareholders and creditors was approved by the Board of Directors
- NSE and BSE have also issued its observation letter on the scheme of arrangement. The Company would submit the petition before NCLT in Q4 FY21.



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

“We are happy to report that with the gradual revival of the economy and unlocking of industries across India post Covid-19 disruption in Q1, we have seen a significant quarter-on-quarter improvement in both our business segments, steel and paints. Our average capacity utilisation at both plants has been gradually increasing through Q1 to Q3 FY21.

Our paints segment has clocked revenues of Rs. 71 crores for Q3 FY21, up by 45% QoQ from Rs.49 crores in Q2 FY21. This was driven by robust volume growth of over 38% QoQ. Tier II/III/IV cities continue to do well and even metros and tier I cities are expected to bounce back both for decorative and other segments as well. Further, our sustainability-consciousness has enabled us to increase our share of premium and environment-friendly products. We continue to focus on expanding our pan-India visibility through aggressive spends on advertising and promotions.

The manufacturing operations at the Company’s own paint factory has seen a strong uptick during the quarter. The restoration of the remaining building/ plant & machinery is expected to be completed by the end of this quarter and full-fledged operations are expected to commence from Q1 FY22 which will provide a further fillip to our growth trajectory. Rise in disposable income of the average middle class, urbanization, growing rural market, shortening of repainting cycle, upgradation, increase in sale of premium-end products and launch of many innovative products are the major drivers that will drive the growth of organized players like us.

The steel segment has witnessed a robust volume growth of 11.6% QoQ and revenue growth of over 25% QoQ in Q3 FY21. Total brand sales turnover is up 28.4% YoY and 26.8% QoQ in Q3 FY21 to Rs 3,353 cr. We have seen a sharp rebound in demand on the back of healthy rural consumption, strong sales in the auto and white goods sector and increased activity in construction sector. We are slowly inching towards normalcy of operations with the easing of restrictions and on the back of our strong brand, resilient business model and well-entrenched distribution network across the country. Recent announcement on production linked incentive scheme will boost manufacturing in India. Government’s thrust on improving the infrastructure of the country and investment in projects such as affordable housing, railways, metros, oil & gas distribution pipeline projects would ensure growth for steel consumption.

We are also delighted to inform that our company has recently launched its premium brand Kamdhenu Nxt in the market of Delhi and Haryana. This is aligned with our overall strategy to enhance our market share in the domestic TMT segment. We are also exploring avenues to further reach into markets where our presence is less and strengthen our footprints in existing geographies.

Q3 FY21 was a strong quarter. We have seen robust demand for our product offerings. Kamdhenu is committed to developing world class products to address the evolving needs of the consumer and setting a benchmark in affordability for technologically advanced products in the market. Going forward, 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 with brand sales turnover of ~Rs. 10,800 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.

For further information, please contact

Company	Investor Relations Advisors	Public Relations
Kamdhenu Limited CIN: L27101HR1994PLC092205 Mr. Harish Kumar Agarwal hkagarwal@kamdhenulimited.com www.kamdhenulimited.com	Strategic Growth Advisors Pvt. Ltd. CIN: U74140MH2010PTC204285 Mr. Varun Divadkar/ Ms. Khushbu Shah varun.divadkar@sgapl.net / khushbu.shah@sgapl.net +91 9763702204 / +91 9820601181 www.sgapl.net	Fortuna Public Relations Mr. Vikash Mahajan + 91 9953619912