

# **STRONGEST PRESENCE** **in Every Sense**

ANNUAL REPORT

2014 - 15



## True Strength Reflects Itself In Lending Support To Progress

Being the top selling TMT Floor brand of the country is indeed a great feat, more so for a relatively new company in the form. Besides we are manufacturing a whole range of highly in demand construction materials including structural steel products, roofing sheets, decorative paint products, PVC Pipes and plywood. Our success surely reflects the intrinsic capabilities and strong fundamentals of the company. We as one of the leading infrastructure sector companies, proudly manifest ourselves as a testimony to progressive India.

We respond to market dynamism and capitalise opportunities to grow. We innovate towards bringing high-end quality in construction sector. International Make in India Movement, with our means and through our products, we continuously contribute towards arising of India to its due glory.



We are Kamdhenu Group.



## BOARD OF DIRECTORS

Mr. Satish Kumar Agarwal  
Mr. Sunil Kumar Agarwal  
Mr. Saurabh Agarwal  
Mr. Sachin Agarwal  
Mr. Mahendra Kumar Doogar  
Mr. Radha Krishna Pandey  
Mr. Ramesh Chand Surana  
Mrs. Nishal Jain

Chairman & Managing Director  
Whole Time Director  
Whole Time Director  
Whole Time Director  
Director  
Director  
Director  
Director

## Chief Financial Officer

Mr. Harish Kumar Agarwal

## Bankers

State Bank of Bikaner & Jaipur  
Allahabad Bank

## Registrar & Transfer Agent

Karvy Computershare (P) Ltd. 17-24, Vittal Rao Nagar, Madhapur, Hyderabad-500081, Andhra Pradesh, India  
Tel.: 91-40-23420815-20, Fax: 91-40-23420814

## Auditors

S. Singhal & Company, Chartered Accountants  
E-127, Industrial Area, Bhiwadi-301 019, Rajasthan, Tel.: 91-1493-220218, Fax: 91-1493-221933

## Registered Office

L-311, Street No. 7, Mahipalpur Exention, New Delhi-110037. Tel.: 91-11-65493417, Fax: 91-11-26784596

## Corporate Office

2nd Floor, Tower-A, Building No. 9, DLF Cyber City, Phase-3  
Gurgaon – 122 002 (Haryana), Tel.: 0124-4604500, Fax: 0124-4218524  
E-mail: kamdhenu@kamdhenuispat.com  
Website: www.kamdhenuispat.com, www.colourdreamz.com

## Works

Steel : A-1114, RIICO Industrial Area Phase III, Bhiwadi, Dist. Alwar-301 019, Rajasthan  
Tel.: 01493-520401- 430, Fax: 01493-520428  
Paints : E-538-539 A, Industrial Area, Chopanki, Distt. Alwar, Rajasthan  
Tel.: 01493-306801-820, Fax: 01493-306810

## Audit Committee

Mr. Mahendra Kumar Doogar  
Mr. Ramesh Chand Surana  
Mr. Radha Krishna Pandey  
Mr. Sunil Kumar Agarwal

## Stakeholders Relationship Committee

Mr. Mahendra Kumar Doogar  
Mr. Ramesh Chand Surana  
Mr. Saurabh Agarwal

## Nomination and Remuneration Committee

Mr. Mahendra Kumar Doogar  
Mr. Radha Krishna Pandey  
Mr. Ramesh Chand Surana

## Corporate Social Responsibility Committee

Mr. Satish Kumar Agarwal  
Mr. Sunil Kumar Agarwal  
Mr. Mahendra Kumar Doogar

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# BOARD OF DIRECTORS



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Chairman & Managing Director



Mr. Sunil Kumar Agarwal  
Whole Time Director



Mr. Saurabh Agarwal  
Whole Time Director



Mr. Sachin Agarwal  
Whole Time Director



Mr. Mahendra Kumar Doogar  
Director



Mr. Radha Krishna Pandey  
Director



Mr. Ramesh Chand Surana  
Director



Mrs. Nishal Jain  
Director

## CHIEF FINANCIAL OFFICER



Mr. Harish Kumar Agarwal  
CFO

***Creators of the Glorious Chronicle  
of Continuous Growth...***



## From the **CMD DESK**

On the occasion of sharing the Annual Report of Kamdhenu Ispat Limited for the financial year 2014-15, I must express my pleasure, appreciation and optimism on the performance of the Company. Once again in the last financial year, the Company has not only bypassed the target set for the period but also consolidated its position as one of the prime segmental leader by bringing forth a number of innovative construction materials according to the existing market need and upcoming trends. While achieving a noteworthy success in registering high growth rate, we also convincingly and conclusively assert ourselves as the frontrunners in construction material segment. The sales and profit figures at the year-end have been promising and undoubtedly indicative of an impending leap in the future.

The financial Year 2014-15 was a period of transition on many accounts for India in general and Indian construction sector market in particular. During the year, with change in government some categorical shift in policy paradigm came into effect. The financial year started with sluggish market scenario with Indian construction sector not performing to its potential. Thanks to the initiatives of incumbent government towards rapid infrastructure creation, the situation started to improve. The last few quarters presented before us slowly but steadily improving economy, a time full of opportunities to consolidate and grow. The vigorous engagements with all the substantial economies of the globe, heralded by the incumbent government has somewhat changed the parameters of construction sector, creating a need for world-class construction material suitable to the large scale infrastructures adhering to global norms of strength and safety. Government's pro-development agenda being backed up by Indian entrepreneurs, indeed fast-tracked the rate of infrastructural building in the country substantially.

Innovation being the key to stay relevant in this emerging trend, Kamdhenu Ispat Limited has aptly adapted to these scenarios. Company's flexible manufacturing process and efficient distribution system backed by its advanced and technologically superior product-line efficiently responded towards creating opportunities amidst the prevailing market dynamics. The Company achieved a significant growth in the year 2014-15 with an increase of 35% in net profit as well as an increase in turnover as compared to the previous year.

Driven by the commitment to provide cost-effective and innovative products, Kamdhenu Ispat Limited is setting a benchmark with unceasingly evolving polygonal processes involving manufacturing, marketing, branding and distribution. Standing tall amongst the other players in the sector as the sole authorized Indian company manufacturing double ribs rebar KAMDHENU SS 10000, Kamdhenu Ispat Limited has put meticulous effort to reach to the consumers in many states with this premium product featuring unmatched strength and incomparable earthquake safety while conforming to international quality standard besides Indian standard. KAMDHENU SS 10000 has been very successful in the entire north India comprising of National Capital region of Delhi and Haryana, Rajasthan, Punjab, Jammu & Kashmir, Himachal Pradesh etc.

Responding to the growing market of colour coated GI/Galvanized profiling sheets, we presented a wide range of the best quality colour coated GI/Galvanized sheet products in the Indian market under the Kamdhenu brand through 'Franchisee Business Association Model'. True to the spirit of brand Kamdhenu in terms of quality, trust and innovation, these roofing sheets are best of its kind and receiving favourable responses from the customers all across. During the financial year, categorical thrust was given to expand the marketing network of this product category in proportion to the market potential in the segment towards realizing a substantial market share. In the times to come we can safely hope that the segment would emerge as a prominent dividend-driver for the Company.

Manufacturing and marketing a wide range of paints products meticulously developed keeping in mind the consumer preferences and global trends, the Paint Division of the company is today counted among the top ranking Indian companies in decorative paints segment. Highlighting our concerns towards environment and consumer wellbeing, the company has included more variants of low VOC Eco-friendly products in its existing range of Architectural, Decorative and Designer paint products that includes Exterior & Interior Emulsions, Synthetic & GP Enamels, Acrylic Distempers, Water Based & Solvent based Primers, Wood Finishes, Aluminum Finishes and Textured & Designer Finishes.

Deeply believing that the customers must exercise the informed choice, we continuously put efforts for customer-friendly solutions. By providing a futuristic concept design gallery to the customers, Kamdhenu paints is initiating a new era of decorative paints buying. This innovative step has been in the long line of inventive initiatives taken by the Company in the past, like the introduction of water based enamel which is eco-friendly and known for its longevity as compared to the conventional oil based paints, development of a special painting system called Renaissance Replica- a European styled designer paints and installation of Tinting Machines. With the aim to motivate the channel partners of Kamdhenu Paints, during the financial year 2 mega incentive schemes were launched. Roping in many celebrities of Film & TV industries of India, these events gave unprecedented visibility to the brand and helped in increasing the brand equity.

Heralding industrial innovation time and again, Kamdhenu Ispat Limited facilitates meticulous R&D activities on new product developments, enriched applications, resources efficiency and quality improvement. Aided by an able R&D team, Kamdhenu continuously explores new business verticals and keeps upgrading the existing portfolio to offer the best to its customers.

Kamdhenu practices the uncompromised and advance processes and protocols from mines till market. Quality assurance of Kamdhenu products is the real strength behind the brand, resulting in appreciation, repeat buying and recommendations from the customers. The trust of our customers is our greatest asset and since inception Kamdhenu unflinchingly stands to the expectations of customers by maintaining its superior quality backed with excellent service.

Innovative to its core, Kamdhenu started a new era in steel long product market by pioneering 'Franchisee Business Association Model' in the segment. Integrating independent manufacturers all across India with the idea and ideals of Brand Kamdhenu and streamlining the fragmented steel

sector, Kamdhenu ensures assured quality products to millions of consumers. Imparting Brand value to products, this business model proved a true win-win proposition to all. From this unique model, consumers are benefiting with trustworthy quality, Independent manufactures using our brand name are getting good returns while this helps our products find Pan-Indian accessibility at faster pace. The 'Franchisee Business Association Model' has increased our production strength to more than 50 units.

Being a true Pan-India entity, Kamdhenu products are available in every nook and corner of the country. Enjoying a strong distribution network comprising more than 3500 dealers and distributors for the marketing of steel products Kamdhenu products are truly ubiquitous in every major market. Amidst the growing market size of decorative paints, 32 sales depots are operating across the country successfully enhancing the market share of Kamdhenu paint products. Presently over 4000 paint dealers and distributors are involved in the marketing of Kamdhenu paints.

Kamdhenu fully understand the importance of perpetual brand building and brand association activities. Backed with careful communication planning and accurate implementation of advertising and marketing activities, Kamdhenu Ispat Limited is boosting its brand equity. Smartly investing into promotion, advertising and marketing communication activities, Kamdhenu has been so far very successful in establishing a positive brand identity with good brand recognition and retention. Within the last year also the company has participated in various social and cultural activities and sponsored mega events in the process. The conventional campaign covering full spectrum of media throughout the year helped the Brand Kamdhenu to reach all across.

A responsible organization committed to the development of society, Kamdhenu has a dedicated social wing, Kamdhenu Jeevandhara, to look after its CSR activities. One of the priority programmes of Kamdhenu Jeevandhara is to promote education among the underprivileged population and towards this goal many schools in remote areas are being suitably supported by it. Through an ambitious project, "Green India Campaign", promising far-reaching results on environmental protection, the dealers and distributors of the company are actively promoting plantation all across the country. Aligning our resources to the cherished vision of Swachh Bharat Abhiyan, Kamdhenu Jeevandhara is relentlessly working on it.

Concluding my message to you all, I would like to thank all our esteemed Stakeholders, Office Bearers, Financial Institutions, Banker, Channel partners, Business Associates, Employees and foremost to our Customers for their consistent support to the Company. I hope your continued association with the Company in its endeavours towards bigger achievements in days to come.

With warm regards,  
Yours sincerely



**Satish Kumar Agarwal**  
Chairman & Managing Director  
Kamdhenu Ispat Limited

11th August 2015



## Vision & Mission



Kamdhenu Ispat Limited aims to make a solid mark and firm its leadership position in the market by providing most contemporary, superior quality products at reasonable cost.

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Kamdhenu Ispat Limited aims to set a high benchmark of quality, commitment and care in serving its customers, environment and society. Kamdhenu Ispat Limited aims to evolve with time with Product portfolio diversification to provide for wide categories of customers and varied range of requirements.

Our mission is to intensify the growth process in the area of manufacturing, marketing, branding and distribution while maintaining the smooth functioning in all the franchisee units. Kamdhenu Ispat Limited is equipped with the modern and advanced technologies and a pool of highly talented professionals, which definitely give us an edge in present market. Capitalizing the positives, the strategic changes and exploring of untapped markets add more customers to the company's credentials.

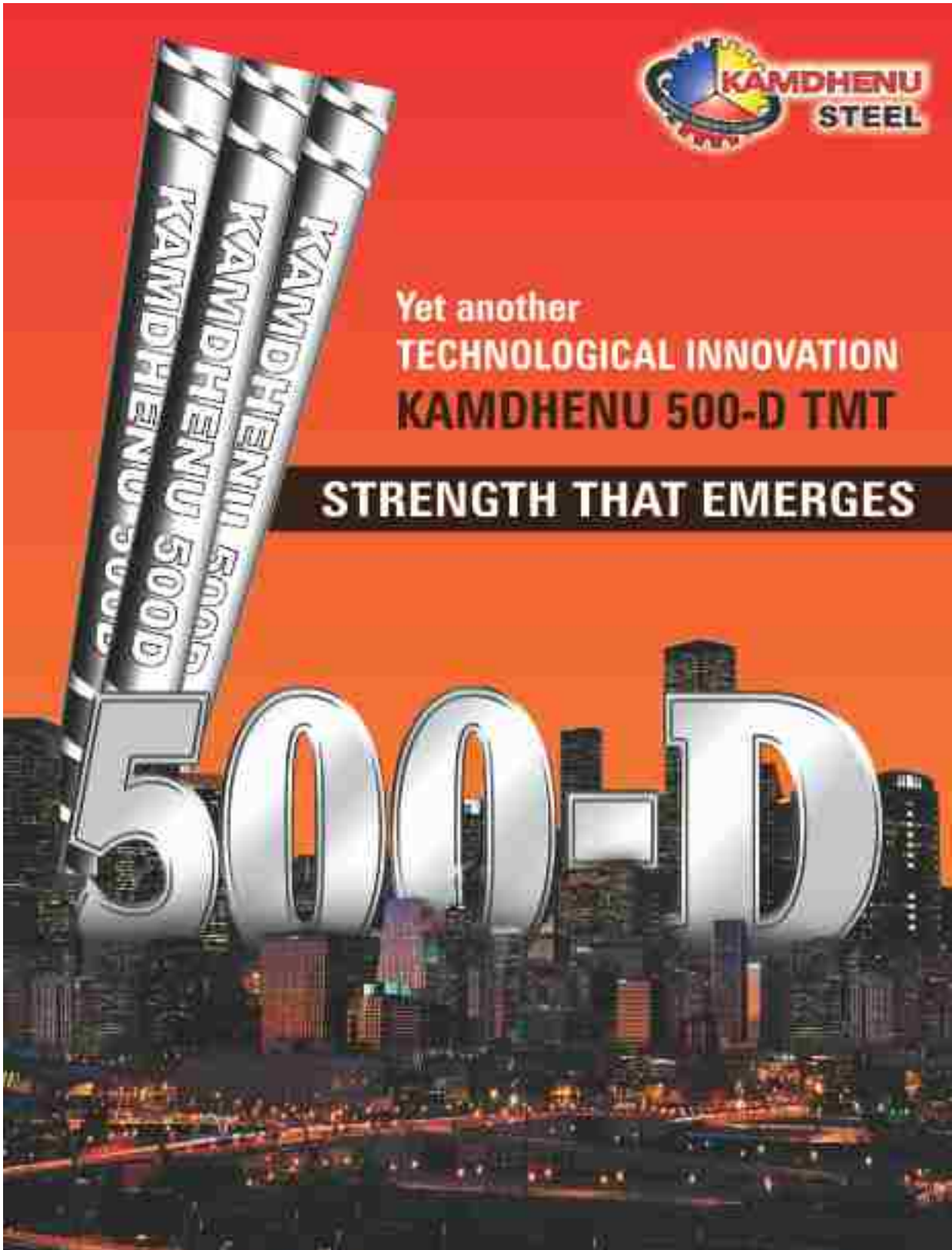
The service of society has always been a primary concern for the Kamdhenu. We take it as a pious duty to send direct benefits to the underprivileged, deprived and those who live in penury through our social initiatives. The company is all set to increase its social spending and mode of engagements to reach out to more needy persons.






## Building a True PAN-India presence





 **KAMDHENU  
STEEL**

Yet another  
**TECHNOLOGICAL INNOVATION**  
**KAMDHENU 500-D TMT**

**STRENGTH THAT EMERGES**

**500-D**

## Ensuring Quality, to provide **Unmatched Strength**



Advanced machinery, world-class technology and superior raw materials ensure the production of high quality TMT rebars at all manufacturing plants of Kamdhenu Ispat Limited.

Manufacturing and marketing India's top selling TMT Brand, Kamdhenu Ispat Limited is a rare success story in recent corporate history. From a humble genesis as a small venture at Bhiwadi, Rajasthan in 1995 to becoming the Number 1 in TMT Rebar segment within two decades of time is remarkable feat. This growth is not just a statistical growth of size and volume but a multi-layered growth signifying an illustrious acumen and visionary approach.

Presently Kamdhenu Thermo-Mechanically-Treated (TMT) steel rebars are being manufactured in the state-of-the-art production units with a combined annual production capacity of 20 Lakh Metric Tonnes employing the advanced manufacturing technology.

Continuously evolving its portfolio by introducing products with innovative features, Kamdhenu offers upgraded editions of TMT Steel bars- 500D. This ultra-durable TMT product has the ability to mitigate the quantum of harmful impurities of Sulphur and Phosphorus up to 0.075% and thus features superior strength to withstand harsh weather conditions resulting in longer lifespan of the structures. Conforming to the latest BIS specifications, other variants of TMTs as Fe-415, Fe-500 and Fe-550 are also available.

## Ensuring Innovation, to offer **Never-before Safety**



We are the only  
authorized manufacturer  
of international quality  
double ribs TMT rebar

Achieving a pioneering feat among Indian infrastructure sector companies, we are proudly manufacturing **KAMDHENU SS 10000**, the only authorized double ribs TMT rebar in India, featuring 254% stronger bond strength with concrete and 100% earthquake safety.

Manufacturing from high quality billets using the latest International technology of UK, **Kamdhenu SS 10000** exhibits the capacity to create performance of concrete up to 10,000 Psi with right mixture of concrete. A high-profile test conducted at IIT established the fact that the product provides 254% stronger bond strength with concrete in comparison to ordinary bars and endorse the claim of double ribs, double safety and double strength i.e. Do Ka Dum.

With its unique two-sided interlocking seismic design which creates a slip-proof bonding with concrete to provide unmatched earthquake safety, **KAMDHENU SS 10000** is most suitable product for high rise buildings and all kind of constructions in high seismic earthquake zones. Based on latest international technology being used in advanced countries, **KAMDHENU SS 10000** is most perfect material for bridges, highways and other premium infrastructure projects.



## Ensuring customization, to **shape the imagination**

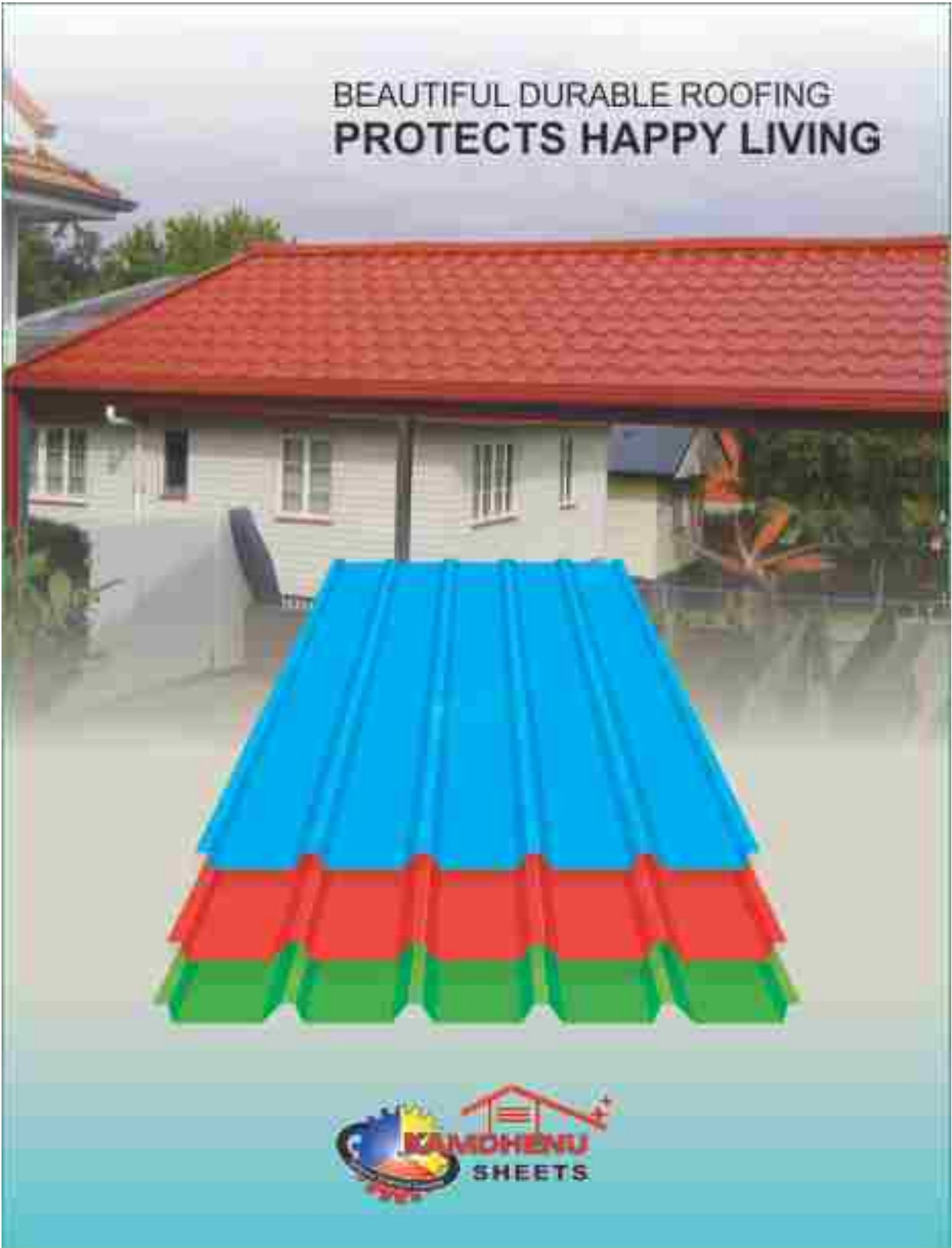


We provide perfect structural steel solutions for the needs of new age India, with a wide range of high quality products.

Speed is the key in today's construction sector. Amidst the fast paced construction activities the need to trusted brand in structural steel product segment is aptly being catered by Kamdhenu. Facilitating customization, ensuring quality and offering services Kamdhenu structural steel products are getting preferred everywhere and extensively being used in a wide range of construction types, including industrial structures, flyovers, bridges, dams, transmission line towers, underground platforms in metro railways, thermal and hydro power plants and many other building projects.

Offering wide range of size variants, Kamdhenu Structural Steel products includes Channels, Flats, Angles, Beams, round and square bars. Providing unmatched durability and high tensile strength with better ductility, all these structural steel products are value for money proposition for the customers. The lower sectional weight and higher yield strength of Kamdhenu Structural Steel products permit the customer substantial saving in steel weightage during advanced fabrications.

Presently with 5 lakh metric tonnes per annum manufacturing capacity of products having grades E250, E275 & E300 with a quality A Grade as per IS 2062 : 2011, Kamdhenu is one of the major players in the segment exhibiting promising growth potential. Meticulously ensuring utmost precision and unmatched strength to every single piece of the structural steel products, the Company has adopted stringent quality control and assembly line testing protocols adhering to the best of policies in practiced in the segment.





## Ensuring comfort, spreading **Secure Shade of Care**



Manufactured through eco-friendly process using rust-free galvanized material, Kamdhenu offers quality roof-sheets ensuring secure and long-lasting roofing solution.

Waterproof, break resistant and flexible Kamdhenu Sheets are characterized by its sustainable features and innovativeness. Offering the users comfort and energy saving on cooling, the advanced high reflective coating used in Kamdhenu sheets reduces roof temperature up to 20% in summers. Apart from this, Kamdhenu Sheets take very less cooling time after sunset and save on energy and expense on cooling at night.

The strong locking system of the product ensures durability under dynamic load, strong wind up lift and adverse weather conditions. Offering the choices in 3 distinct designs, including hi-rib profile sheet, tile profile sheet and corrugated sheet; Kamdhenu Sheets provides durable, rust resistant and aesthetic roofing. Available at competitive prices in all the 3 variants of Kamdhenu Sheets offer rich aesthetic colour options.





Ensuring Aesthetics, to customers  
who love their homes





#### **Kamo Replica - The Special Effect Paint**

It is the specially formulated water based paint which can be used to craft different types of magical effects, like weaving, dapple, crinkle, canvas etc. on interior walls with the help of special designing tools. Kamo Replica offers ease in application by permitting effortless movement to the tools, Kamo Replica spreads smoothly and retains the pattern left by the designing tool to mesmerizing effect for many coming years.

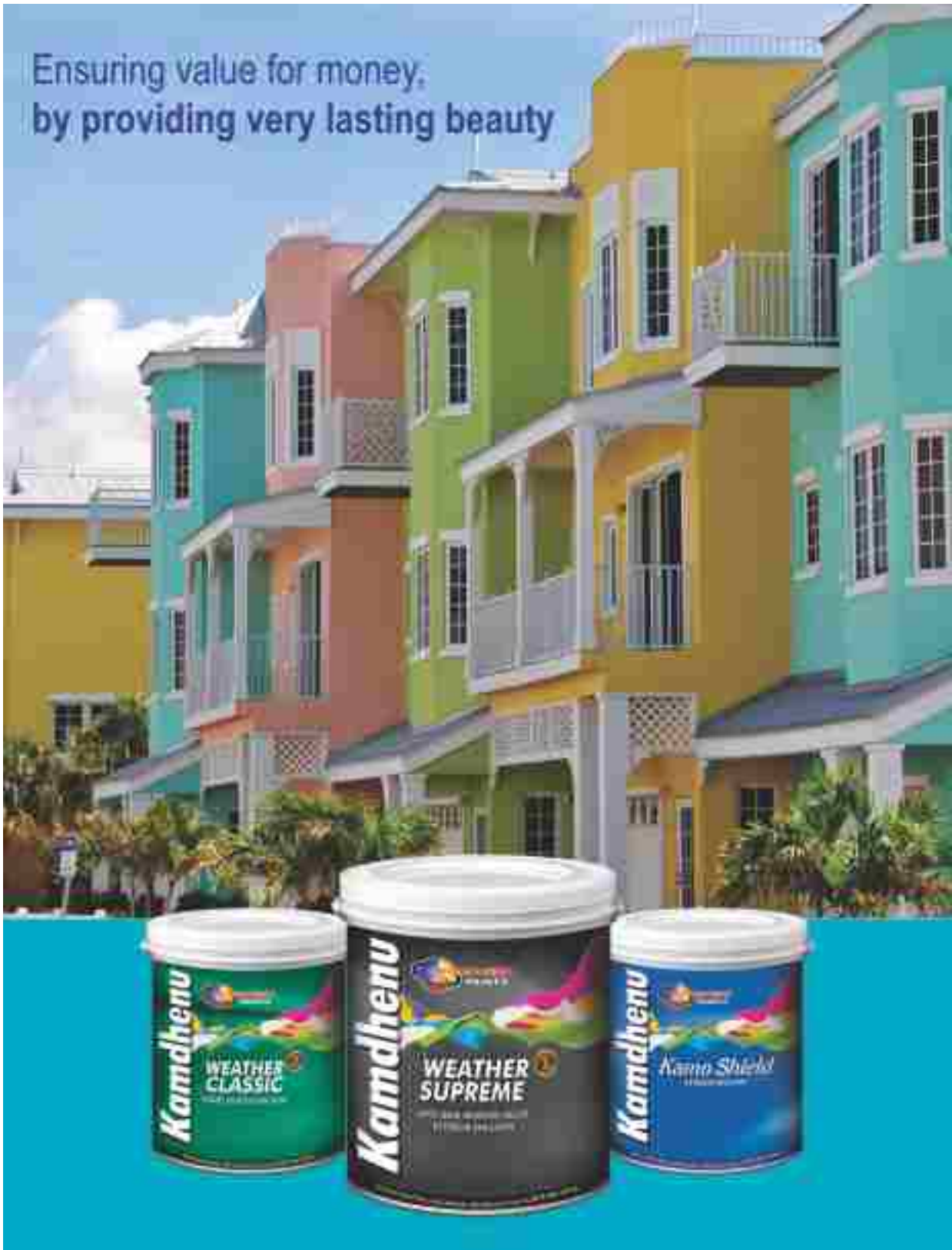


#### **Kamo Shine - High Stain Resistance Luxury Interior Emulsion with Lotus Effect.**

Kamo Shine High Stain Resistance Luxury Interior Emulsion has a special feature of being highly resistant to stains with rich sheen, very smooth finish, low voc for easy breathing, lead free and eco friendly and it is almost low odour paint. This stain free interior emulsion is very useful for places like living rooms, children's room, kitchen, hospitals, nursing home, hotels & specially for elderly person rooms for those having breathing problems. It can be applied on all types of smooth plasters, false ceilings, asbestos sheets, brick work, concrete block, fibre board etc.

#### **Velvety - Luxury Interior Emulsion with Silky Pearl Finish**

Velvety Luxury Interior Emulsion is water based, 100% acrylic, interior wall finish, it provides a silky sheen finish which lends a soft regal glow to the interiors of the room. It has a quality to produce an aesthetic luxury finish and velvety touch on interior walls, ceiling and other interior surfaces. The rich, smooth and matt finish of Velvety Luxury Interior Emulsion lends long-lasting luxurious feel to the interiors. It also offer high stain resistance, walls painted with Velvety are easy to clean and maintain that new look for years. It has also good anti fungal properties.





#### **Weather Supreme - 100% Acrylic Based Weather Proof Exterior Emulsion**

Weather Supreme Exterior Emulsion is a smooth water based modified acrylic exterior wall finish with silicon additives. Which is based on 100% pure acrylic resin system and advanced anti algal & weather proof. It comes with color stay technology which prevents tarnishing of the paints film. Weather Supreme is considered high performance long lasting paint because of its quality to resist the extreme weather conditions. It also prevents the growth of algae & fungi on the walls.

#### **Weather Classic - All Weather Proof Exterior Emulsion**

Weather Classic Exterior Emulsion is a smooth water based, modified acrylic, exterior wall finish silicon additives which is based on 100% pure acrylic resin system. It is high performance, long lasting exterior paint specially formulated to withstand extreme tropical conditions of high rainfall, humidity and heat. Its light fast pigments special additives and antifungal/anti algae agents impart excellent resistance against the growth of algae & fungi on the walls, and offers excellent protection against alkali and UV degradation.

#### **Kamo Shield - Exterior Emulsion**

Kamoshield Exterior Emulsion is a water-based exterior wall finish suitable for dry to moderately humid climate conditions. It offers excellent resistance to chalking, cracking and weathering in comparison to cement paint. It offers good anti-fungal performance in dry to moderately humid climate conditions. However, it may not completely prevent the growth of black algal spots in excessive rainfall areas/coastal belts.





### **Kamdhenu Designer Gallery**

The Kamdhenu Paints Designer Gallery is a futuristic concept being realized by Kamdhenu Paints furthering its consumer friendly state of the art services. The recently introduced “Kamdhenu Designer Gallery” is the finest name in premium luxury wall fashion aimed to give its consumers a divine experience of ultimate glamorous lifestyle. The gallery offers exclusive range of latest international trends in wall finishes with a choice of premium & luxury modern finishes, textures and coatings to create a living space that warms the heart of its visitors.



### **Kamdhenu Water Proofing Solutions**

Kamdhenu provides specialized products to answer all of your water proofing and repairing challenges. Our testing quality control R & D facility ensures world class products to safeguard your construction right from basement to roof and walls to ceilings protection from Dampness.



### **Kamdhenu Premium Wood Finishes**

Kamwood offers a breadth of NC, Melamine & PU based wood coating system of natural finish with sealers & topcoats (Glossy & Matt) of international quality standards. Kamwood Wood Coatings provide desired aesthetics durable protective finishes to furniture, doors, windows, parquet floors, music instruments, sports goods & antique etc. that lasts over the year with Excellent Adhesion, Scratch Resistance, Heat resistance, Humidity & Moisture Resistance & Domestic spills resistance.

## Ensuring happiness in **so many ways**



### **KAMDHENU WIREBOND**

Kamdhenu Wirebond has high strength quality required for the construction projects. It provides maximum sturdiness to the overall structure and withstands harsh conditions. Made at state-of-the-art production facilities, these wirebonds adhere to the international quality standards. Available in various sizes, gauges, dimensions and finishes, Kamdhenu Wirebonds do not wear and tear for a long time.



### **KAMDHENU PLYWOOD**

Kamdhenu Plywood is the perfect blend of excellence and elegance. Available in a variety of exotic designs, attractive colours and patterns, these durable plywoods always live up to the expectations of consumers. They are precisely tested for strength to resist cracks, shrinkage and twist. Kamdhenu plywood has quality to add charm and glamour to the interiors and its strength would not deteriorate for years.



### **KAMDHENU PVC PIPES**

Kamdhenu PVC Pipes have given excellent solution to the modern plumbing by offering the superior range of pipes. These PVC pipes provide superb protection to the power and communication cables, air vent system for toxic gases, biogas, natural gas, oil distribution, water supply and sewerage system as well as other relevant areas. Kamdhenu offers world-class durable PVC pipes that have high resilience and strong texture quality to resist the growth of bacteria. This range of Kamdhenu PVC pipes includes Rigid Pipes & Fittings, Casting Pipes, SWR Pipes, Agriculture Pipes, ASTM Pipes, HDPE Pipes and Sprinkler Systems.



### **KAMDHENU HOMZ**

Kamdhenu Ispat Limited's real estate project KAMDHENU HOMZ has carved a special niche in the market. Construction of housing projects undertaken by franchisee partners have suitably met the aspirations of residents. The buildings under 'Crescent-I' project are delicately developed amid exotic greenery in Punjab, and 'Crescent-II' project is built in the beautiful landscape of Jammu. Both projects have abundance of modern facilities as well as perfect neighborhood.

*A variety of high quality Kamdhenu products are catering to the wide-ranging needs of the customers providing them reliable quality and value for their money.*

## Ensuring help, **towards a happier society**



Through a number of humanitarian activities involving underprivileged population Kamdhenu Jeevandhara- the social wing of Kamdhenu Ispat Limited is making a meaningful contribution.

Relentlessly working towards the upliftment of the underprivileged strata of the society, Kamdhenu Jeevandhara the dedicated social wing of the company provide funding to various welfare activities and also actively engage itself in developmental initiatives as well as environmental protection. Truly believing that 'Education is the true power of disadvantaged', Kamdhenu Jeevandhara give priority to the projects of elementary education and mid-day meals aimed for children from poor families.

Realizing the need of safe drinking water infrastructures and proper sanitation facilities in the schools, Kamdhenu Jeevandhara is channelizing its effort on these issues, thus aligning with the grand vision of Swachhh Bharat Abhiyan.

Committed to the protection of environment Kamdhenu Jeevandhara has come up with an innovative participatory initiative under "Green India" Campaign. Taking support from all the dealers and distributors of Kamdhenu the unique Green India Campaign is devised as a plantation drive, under which everyone

plants a minimum of 5 saplings every year and nurtures them. As a responsible corporate entity, Kamdhenu continuously upgrade its residue or garbage disposal system and innovate to minimize industrial discharge and thus reduce soil pollution to the minimum.

Empowerment of persons with disabilities is a prime focus of Kamdhenu Jeevandhara. Kamdhenu Jeevandhara associates with NGOs and other Voluntary organization working in the field of disability and gave support to the distribution camps of free artificial limb, wheel chairs, walkers, polio calipers and other assistive devices.

Sensitive to the needs of underprivileged Kamdhenu Jeevandhara is committed to keep contributing towards a happier world.



# Directors' Report

To,  
The Members,

Your Directors have pleasure in presenting their 21st Annual Report on the business and operations of the Company and the Audited Financial Statements for the Financial Year ended March 31, 2015.

## 1. FINANCIAL HIGHLIGHTS OF THE COMPANY

| Particulars                        | Rs. In Lacs |          |
|------------------------------------|-------------|----------|
|                                    | 2014-15     | 2013-14  |
| Gross Sales and Operating Revenues | 101107.94   | 96548.11 |
| Net Revenue from Operations        | 96799.32    | 92170.59 |
| Other Income                       | 38.05       | 36.01    |
| Total Revenue                      | 96837.37    | 92206.6  |
| Total Expenses                     | 95647.36    | 91283.75 |
| Profit before Tax                  | 1190.01     | 922.85   |
| Tax Expenses                       | 387.35      | 327.36   |
| Profit After Tax for the year      | 802.66      | 595.49   |
| <b>Appropriations</b>              |             |          |
| Proposed Dividend                  | 163.80      | 0        |
| Tax on Proposed Dividend           | 33.35       | 0        |

## 2. DIVIDEND

Your Directors are pleased to recommend for approval of the Members a dividend of Re.0.70 per equity share of Rs.10/- each of the Company for the financial year 2014-15. The total cash outflow on account of dividend on equity shares for the financial year 2014-15 would aggregate to Rs.197.15 Lacs including Dividend Distribution Tax.

## 3. TRANSFER TO RESERVES

During the financial year 2014-15, Company has not transferred any amount to reserves.

## 4. MATERIAL CHANGES AND COMMITMENTS

There is no material changes and commitments effecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statement relates and the date of this report.

## 5. OPERATING RESULTS AND BUSINESS OPERATIONS

During the financial year 2014-15, your Company has achieved another milestone of crossing Rs.1000 crores revenue from operations. The Company has earned gross Sales and Operating Revenues of Rs.1011 crores during the financial year 2014-15 registering a growth of 5% compared to last year.

The operating profit (profit after tax) increased by 34.79% to Rs.802.66 Lacs in financial year 2014-15 compared to Rs.595.50 Lacs in financial year 2013-14.

The yearly sale under steel division has been increased by 6.74% as compared to the previous year as the total sales have been increased to Rs.84607 Lacs from Rs.79267 Lacs.

Due to the cut throat competition from the big players in the market, the yearly turnover of paint division of the Company marginally decreased by 4.55 % as compared to the previous year and touched to Rs.16413 Lacs from Rs.17195 Lacs in previous year. The company has been constantly involved in establishing the extensive marketing network, brand promotion, lucrative discount and rebate schemes to establish its products in the market. The Paint Division is at present operating from 32 sales depots across the country.

The Power division of the Company has generated a revenue of Rs.87 Lacs during the financial year under review as against Rs.85 Lacs last year resulting increase by 2.35%.

Overall Gross block as at 31st March, 2015 has increased to Rs.7406 Lacs as compared to Rs.7168 Lacs as at 31st March, 2014. Addition to gross block is mainly on account of acquisition of computerized tinting machines in the paint division and modernization of the steel plant.

The tax expenses of the Company for current year are Rs.387 Lacs as compared to Rs.327 Lacs in the previous year which comprises current year tax, deferred tax and earlier year tax.

The earnings per share for the year is Rs.3.43 as against Rs.2.54 in the previous year.

## 6. HUMAN RESOURCES DEVELOPMENT

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

Company's Health and Safety Policy commits to provide a healthy and safe work environment to all employees. The Company's progressive workforce policies and benefits, various employee engagement and welfare have addressed stress management, promoted work life balance.

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

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder. During the financial year 2014-15, the Company has not received any complaints on sexual harassment.

## 8. DOCUMENTS PLACED ON THE WEBSITE ([www.kamdhenuispat.com](http://www.kamdhenuispat.com))

The following documents have been placed on the website in compliance with the Companies Act, 2013:

- Details of unpaid dividend as per Section 124(2)
- Corporate Social Responsibility Policy as per Section 135(4)(a)
- Financial Statements of the Company along with relevant documents as per Section 136(1)
- Details of the Vigil Mechanism as per Section 177(10)
- The terms and conditions of appointment of the independent directors as per Schedule IV.

## 9. CORPORATE GOVERNANCE REPORT, MANAGEMENT DISCUSSION & ANALYSIS AND OTHER INFORMATION REQUIRED UNDER THE COMPANIES ACT, 2013 AND LISTING AGREEMENT

As per Clause 49 of the listing agreement entered into with the stock exchanges, Corporate Governance Report with Auditors' certificate thereon and Management Discussion and Analysis report are attached and form part of this report.

## 10. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 134(5) of the Act, and based on the representations received from the management, the directors hereby confirm that:

- i. in preparation of the annual accounts for the financial year 2014-15, the applicable accounting standards have been followed and there are no material departures;
- ii. 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 the financial year;
- iii. they have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Act. They confirm that there are adequate systems and controls for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. they have prepared the annual accounts on a going concern basis;
- v. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating properly; and
- vi. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 11. AUDITORS, SECRETARIAL AUDITORS REPORT AND COST AUDITORS

There are no disqualifications, reservations or adverse remarks or disclaimers in the Auditors Report, Secretarial Auditors Report and Cost Auditors.

## 12. TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars as prescribed under Rule 8(3) of the Companies (Accounts) Rules, 2014, are set out in an **Annexure-I** to this Report.

## 13. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The CSR Policy of the Company and the details about the initiatives taken by the Company on CSR during the year as per the Companies (Corporate Social Responsibility Policy) Rules, 2014 have been disclosed in **Annexure-II** to this Report. Further details of composition of the Corporate Social Responsibility Committee and other details are provided in the Corporate Governance Report which forms part of this report.

## 14. BOARD EVALUATION

The performance evaluation of the Board, its Committees and individual directors was conducted and the same was based on questionnaire and feedback from all the Directors on the Board as a whole, Committees and self-evaluation.

Directors, who were designated, held separate discussions with each of the Directors of the Company and obtained their feedback on overall Board effectiveness as well as each of the other Directors.

Based on the questionnaire and feedback, the performance of every director was evaluated in the meeting of the Nomination and Remuneration Committee (NRC). The meeting of NRC also reviewed performance of Managing Director on goals (quantitative and qualitative) set at the beginning of the year.

A separate meeting of the independent directors ("Annual ID meeting") was convened, which reviewed the performance of the Board (as a whole), the non-independent directors and the Chairman. Post the Annual ID meeting, the collective feedback of each of the Independent Directors was discussed by the Chairman of the NRC with the Board's Chairman covering performance of the Board as a whole; performance of the non-independent directors and performance of the Board Chairman.

## 15. DEPOSIT FROM PUBLIC

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the Balance Sheet.

## 16. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr.Purshottam Das Agarwal resigned from Independent Directorship with effect from 31.07.2014 and Mrs.Nishal Jain appointed as Independent and woman director with effect from 31.07.2014.

During the financial year 2014-15, Mr.Mahendra Kumar Doogar, Mr.Radha Krishna Pandey, Mr.Ramesh Chand Surana and Mrs.Nishal Jain were appointed as independent directors of the Company for a term of 5 years in the Annual General Meeting held on 29.09.2014.

Mr.Jogeswar Mohanty appointed as Company Secretary and Compliance Officer of the Company with effect from 24.01.2015.

Mr.Harish Kumar Agarwal, Chief Financial Officer, designated as Key Managerial Personnel of the Company.

Mr.Sachin Agarwal, director retiring by rotation in the ensuing Annual General Meeting being eligible offered himself for the reappointment.

## 17. NAMES OF THE COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR

There is no company which have become or ceased to be its subsidiaries, joint ventures or associate companies during the year.

## 18. SIGNIFICANT AND MATERIAL ORDERS

There are no significant or material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

## 19. CHANGE IN NATURE OF BUSINESS

There is no change in nature of business of the Company during the year under review.

## 20. AUDITORS

M/s S. Singhal & Co., Chartered Accountants, E-127, Industrial Area, Bhiwadi (Rajasthan), the Statutory Auditors of the Company, having registration number 001526C with the Institute of Chartered Accountants of India, retiring at the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment as Statutory Auditors of the Company for the Financial Year 2015-16. The Company has received a letter dated 08.05.2015 for their re-appointment, if made, would be within the limit prescribed under Section 139 and 141 of the Companies Act, 2013.

## 21. PARTICULARS OF EMPLOYEES

There is no employee in the Company in receipt of remuneration aggregating more than Rs.60,00,000 per annum being employed throughout the financial year and Rs.5,00,000 or more per month being employed for part of the year.

## 22. EXTRACT OF ANNUAL RETURN

The extract of Annual Return as provided under Sub-Section (3) of Section 92 of the Companies Act, 2013 ( the "Act") is enclosed at **Annexure-III** in the prescribed Form **MGT-9** and forms part of this Report.

## 23. NUMBER OF MEETINGS OF THE BOARD

Five (5) meetings of the Board of Directors of the Company were held during the year. For detail of the meetings, please refer to the Corporate Governance Report, which forms part of this Report.

## 24. INDEPENDENT DIRECTORS' DECLARATION

Mr. Mahendra Kumar Doogar, Mr.Radha Krishna Pandey, Mr.Ramesh Chand Surana and Mrs.Nishal Jain who are Independent Directors of the Company, have submitted a declaration that each of them meets the criteria of independence as provided in Sub-Section (6) of Section 149 of the Act and revised Clause 49 of the Listing Agreements. Further, there has been no change in the circumstances which may affect their status as independent director during the year.

## 25. POLICY OF DIRECTORS' APPOINTMENT AND REMUNERATION

Company's policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under section 178(3) of the Act are covered in the Corporate Governance Report which forms part of this Report. Further, information about elements of remuneration package of individual directors is provided in the extract of Annual Return as provided under Section 92(3) of the Act, is enclosed at **Annexure-III** in the prescribed Form **MGT-9** and forms part of this Report.

## 26. CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT

As per the requirement of the Listing Agreement, Company has formulated 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 Board members and senior management personnel have affirmed compliance with the Code of Conduct.

### 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 said Code of Conduct.

## 27. RELATIONSHIP BETWEEN DIRECTORS INTER-SE

Directors are related to each other within the meaning of the term "relative" as per Section 2(77) of the Act and clause 49(VIII)(E)(2) of the revised listing agreements in following manner.

| S.No. | Name of Director           | Designation                  | Relation with Directors  |
|-------|----------------------------|------------------------------|--|
| 1.    | Mr. Satish Kumar Agarwal   | Chairman & Managing Director | 1. Father of Mr.Saurabh Agarwal & Mr. Sachin Agarwal<br>2. Brother of Mr.Sunil Kumar Agarwal |
| 2.    | Mr. Sunil Kumar Agarwal    | Whole Time Director          | 1. Brother of Mr.Satish Kumar Agarwal  |
| 3.    | Mr. Saurabh Agarwal        | Whole Time Director          | 1. Son of Mr.Satish Kumar Agarwal<br>2. Brother of Mr.Sachin Agarwal                         |
| 4.    | Mr. Sachin Agarwal         | Whole Time Director          | 1. Son of Mr.Satish Kumar Agarwal<br>2. Brother of Mr.Saurabh Agarwal                        |
| 5.    | Mr. Mahendra Kumar Doogar  | Independent Director         | Not Related to any Director  |
| 6.    | Mr. Radha Krishna Pandey   | Independent Director         | Not Related to any Director  |
| 7.    | Mr. Ramesh Chand Surana    | Independent Director         | Not Related to any Director  |
| 8.    | Mrs. Nishal Jain           | Independent Director         | Not Related to any Director  |
| 9.    | Mr. Purshottam Das Agarwal | Independent Director         | Not Related to any Director  |

## 28. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

There have been no loans, guarantees and investments under Section 186 of the Act during the financial year 2014-15.

## 29. TRANSACTIONS WITH RELATED PARTIES

The Company has not entertained any transaction with related party as mentioned in Section 188 of the Companies Act, 2013. Hence, Section 188(1) is not applicable to the Company.

## 30. INTERNAL CONTROL

The information about internal controls is set out in the Management Discussion & Analysis report which is attached and forms part of this Report.

### 31. RISK MANAGEMENT

The Risk Management is overseen by the Audit Committee of the Company on a continuous basis. The Committee oversees Company's process and policies for determining risk tolerance and review management's measurement and comparison of overall risk tolerance to established levels. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuous basis.

### 32. FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS

The Company has practice of conducting familiarization program of the independent directors as detailed in the Corporate Governance Report which forms part of the Annual Report.

### 33. VIGIL MECHANISM

The Company has established a vigil mechanism for Directors and employees to report their genuine concerns. For details, please refer to the Corporate Governance Report attached to this Report.

### 34. PARTICULARS OF REMUNERATION

The information required under Section 197 of the Act and the Rules made there-under, in respect of employees of the Company, is follows:-

**a. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:**

| S.No. | Name of Director          | Designation                  | Ratio to Median Remuneration |
|-------|---------------------------|------------------------------|------------------------------|
| 1.    | Mr.Satish Kumar Agarwal   | Chairman & Managing Director | 14.37                        |
| 2.    | Mr.Sunil Kumar Agarwal    | Whole Time Director          | 14.15                        |
| 3.    | Mr.Saurabh Agarwal        | Whole Time Director          | 13.28                        |
| 4.    | Mr.Sachin Agarwal         | Whole Time Director          | 13.28                        |
| 5.    | Mr.Mahendra Kumar Doogar  | Independent Director         | 0.41                         |
| 6.    | Mr.Radha Krishna Pandey   | Independent Director         | 0.47                         |
| 7.    | Mr.Ramesh Chand Surana    | Independent Director         | 0.22                         |
| 8.    | Mrs.Nishal Jain           | Independent Director         | 0.18                         |
| 9.    | Mr.Purshottam Das Agarwal | Independent Director         | 0.05                         |

\*Median Salary (Annual) of employees for the Financial Year 2014-15 is Rs.2,76,948/-.

**b. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year:**

| S.No. | Name of Director          | Designation                  | % Increase in remuneration |
|-------|---------------------------|------------------------------|----------------------------|
| 1.    | Mr.Satish Kumar Agarwal   | Chairman & Managing Director | (1.31)                     |
| 2.    | Mr.Sunil Kumar Agarwal    | Whole Time Director          | 3.68                       |
| 3.    | Mr.Saurabh Agarwal        | Whole Time Director          | 4.28                       |
| 4.    | Mr.Sachin Agarwal         | Whole Time Director          | 4.28                       |
| 5.    | Mr.Mahendra Kumar Doogar  | Independent Director         | 125.49                     |
| 6.    | Mr.Radha Krishna Pandey   | Independent Director         | 154.90                     |
| 7.    | Mr.Ramesh Chand Surana    | Independent Director         | 140.00                     |
| 8.    | Mr.Purshottam Das Agarwal | Independent Director         | N.A.                       |
| 9.    | Mrs.Nishal Jain           | Independent Director         | N.A.                       |
| 10.   | Mr.Harish Kumar Agarwal   | Chief Financial Officer      | 15.15                      |
| 11.   | Mr. Jogeswar Mohanty      | Company Secretary            | 16.64                      |

- c. The percentage increase in the median remuneration of employees in the financial year 2014-15 is 11.55%.
- d. The number of permanent employees on the rolls of company as on 31st March, 2015 are 608.
- e. **The explanation on the relationship between average increase in remuneration and company performance:** On an average, employees received an increase of 16.62% in remuneration. The increase in remuneration is in line with the market trends.
- f. **Comparison of the remuneration of the Key Managerial Personnel against the performance of the company:**

| Particulars   | Amount in Rs. |
|---|---------------|
| Remuneration of Key Managerial Personnel (KMP) during financial year 2014-15 (aggregated) | 1,74,61,293   |
| Revenue from operations   | 967,99,32,432 |
| Remuneration (as % of revenue)  | 0.18%         |
| Profit before tax (PBT)   | 11,90,01,618  |
| Remuneration (as % of PBT)  | 14.67%        |

- g. **Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the Company as at the close of the current financial year and previous financial year:**

| Particulars                  | Unit       | As at 31st Mar 15 | As at 31st Mar 14 | Variation |
|------------------------------|------------|-------------------|-------------------|-----------|
| Closing rate of share at BSE | Rs.        | 41.90             | 21.50             | 94.88%    |
| EPS (Consolidated)           | Rs.        | 3.43              | 2.54              | 35.04%    |
| Market Capitalization        | Rs. in Lac | 9804.60           | 5031.00           | 94.88%    |
| Price Earnings ratio         | ratio      | 12.22             | 8.46              | 44.44%    |

- h. **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.**

The average increase in salaries of employees other than managerial personnel in 2014-15 was 16.62%. Percentage increase in the managerial remuneration for the year was 4.09%.

- i. **Comparison of each remuneration of the Key Managerial Personnel against the performance of the Company**

| Name of KMP             | Designation | Remuneration in Rs. | Revenue in Rs. | Remuneration (as % of revenue) | Profits before tax (PBT) in Rs. | Remuneration (as % of PBT) |
|-------------------------|-------------|---------------------|----------------|--------------------------------|---------------------------------|----------------------------|
| Mr.Satish Kumar Agarwal | CMD         | 39,79,200           | 967,99,32,432  | 0.040                          | 11,90,01,618                    | 3.344                      |
| Mr.Sunil Kumar Agarwal  | WTD         | 39,19,200           | 967,99,32,432  | 0.040                          | 11,90,01,618                    | 3.293                      |
| Mr.Saurabh Agarwal      | WTD         | 36,79,200           | 967,99,32,432  | 0.038                          | 11,90,01,618                    | 3.092                      |
| Mr.Sachin Agarwal       | WTD         | 36,79,200           | 967,99,32,432  | 0.038                          | 11,90,01,618                    | 3.092                      |
| Mr.Harish Kumar Agarwal | CFO         | 15,95,496           | 967,99,32,432  | 0.016                          | 11,90,01,618                    | 1.341                      |
| Mr.Jogeswar Mohanty     | CS          | 6,08,997            | 967,99,32,432  | 0.009                          | 11,90,01,618                    | 0.512                      |



- j. **The key parameters for any variable component of remuneration availed by the directors;** Not applicable
- k. **The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year;** Not applicable
- l. **Affirmation that the remuneration is as per the remuneration policy of the Company**

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.

### 35. PECUNIARY RELATIONSHIP OR TRANSACTIONS OF NON-EXECUTIVE DIRECTORS

During the year, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company.

### 36. ACKNOWLEDGEMENTS

The Directors wish to convey their appreciation to business associates for their support and contribution during the year. The Directors would also like to thank the employees, shareholders, customers, suppliers, alliance partners and bankers for the continued support given by them to the Company and their confidence reposed in the management.

BY ORDER OF THE BOARD OF DIRECTORS  
KAMDHENU ISPAT LIMITED

Dated : 11.08.2015  
Place : Gurgaon

**(Satish Kumar Agarwal)**  
Chairman & Managing Director  
DIN - 00005981

**(Sunil Kumar Agarwal)**  
Whole Time Director  
DIN - 00005973

## **TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The particulars as prescribed under Rule 8(3) of the Companies (Accounts) Rules, 2014, are as follows:

### **A. CONSERVATION OF ENERGY**

- i. The operations of the Company, being manufacturing, require extensive consumption of electricity. The Company ensures that all possible measures are taken to conserve energy including identification of potential areas of saving energy, installation of energy efficient equipments.
- ii. Steps taken by the Company for utilizing alternate sources of energy:
- iii. The Company had commissioned two wind power projects of 1.25 MW and 0.60 MW at Jaisalmer (Rajasthan) in the year 2006 and 2007 having least expensive and eco-friendly source of energy.
- iv. Capital investment on energy conservation equipments: NIL

### **B. TECHNOLOGY ABSORPTION**

- i. Efforts made towards technology absorption:  
The Company has launched Kamdhenu SS 10000 TMT bar in 2013. Kamdhenu SS 10000 is the only product in its class featuring double ribs, double strength and double safety. It gives 254% more strength to the bonding of concrete and steel and it also has the capacity to create performance of concrete upto 10,000 Psi with right mixture of concrete. The technology for manufacturing of Kamdhenu SS 10000 TMT bar had been developed with the technical know-how from U.K.
- ii. Benefits derived:  
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. Imported technology:
  - a. Kamdhenu SS 10000 has been developed by Kamdhenu Ispat Limited for which it had entered into the Technical Know-How Sharing Agreement with Knightsbridge Resources Limited, 67, Chandos Avenue, London-W54EP, United Kingdom
  - b. The above technology is imported during the year 2013-14.
  - c. This technology is fully absorbed.
- iv. The expenditure incurred on Research and Development is Rs.33,51,141.

### **C. FOREIGN EXCHANGE EARNING AND OUTGO**

The Company has not earned any foreign exchange during the year under review.

The Company has incurred foreign exchange outgo of Rs.75,829 towards the sales promotion.

### CORPORATE SOCIAL RESPONSIBILITY (CSR)

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

Pursuant to Section 135 of the Companies Act, 2013, CSR Committee was constituted on 29th May, 2014.

#### A. Composition of CSR Committee

The committee comprises of Mr.Satish Kumar Agarwal as Chairman, Mr.Sunil Kumar Agrawal, Member and Mr.Mahendra Kumar Doogar, Member.

#### B. Terms of Reference

- To formulate and recommend to the Board, a CSR Policy and the activities to be undertaken by the Company as per Schedule VII of the Companies Act, 2013;
- To recommend amount of expenditure on CSR activities;
- To monitor CSR Policy of the company.

During the year, 1 CSR Committee meeting was held on 24th January, 2015 and it was attended by all the committee members.

**Average net profit of the company for last three financial years:** Rs.5,20,61,823/-

**Prescribed CSR Expenditure (two per cent of the amount as above):** Rs.10,41,236/-

**Details of CSR spent during the financial year:** NIL

**Total amount to be spent for the financial year:** Rs.10,41,236/-

**Amount unspent, if any:** Rs.10,41,236/-

The Company is under process to identify the CSR project to be carried on and the unspent amount has been set aside and will be spent in the Financial year 2015-16 in addition to the amount required to be spent in Financial Year 2015-16.

#### Responsibility Statement

Pursuant to the provisions of section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, Mr.Satish Kumar Agarwal, Chairman & Managing Director and Chairman CSR Committee do confirm that the implementation and monitoring of CSR policy, is in compliance with the CSR objectives and policy of the Company.

**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
**As on financial year ended on 31.03.2015**  
**Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company**  
**(Management & Administration) Rules, 2014**

**I. REGISTRATION & OTHER DETAILS:**

|    |  |  |
|----|--|--|
| 1. | CIN  | L27101DL1994PLC134282  |
| 2. | Registration Date  | 12/09/1994   |
| 3. | Name of the Company  | Kamdhenу Ispat Limited   |
| 4. | Category/Sub-category of the Company                                       | Company Limited by shares  |
| 5. | Address of the Registered Office & contact details                         | L-311, Khasra No.724, Street No.7, Mahipalpur Extension, New Delhi- 110037, Phone: 011-65493417<br>E-mail: kamdhenu@kamdhenuispat.com<br>Website: www.kamdhenуispat.com  |
| 6. | Whether listed company   | Yes  |
| 7. | Name, Address & Contact details of the Registrar & Transfer Agent, if any. | M/s Karvy Computershare (P) Limited,<br>17-24, Vittal Rao Nagar, Madhapur, Hyderabad-500081,<br>Telangana, India, Te: +91-40-23420815-20<br>Fax: 91-40-23420814<br>Email: mailmanager@karvy.com<br>Website: www.karvycomputershare.com |

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY** (All the business activities contributing 10% or more of the total turnover of the company shall be stated):

| Sr No | Name and Description of main products / services | NIC Code of the Product/service | % to total turnover of the company |
|-------|--|---------------------------------|------------------------------------|
| 1.    | TMT Steel  | 27151                           | 83.68                              |
| 2.    | Paints   | 24222                           | 16.23                              |

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES** (All the business activities contributing 10% or more of the total turnover of the company shall be stated):

| Sr No | Name and Description of main products / services | NIC Code of the Product/service | % to total turnover of the company |
|-------|--|---------------------------------|------------------------------------|
| 1.    | NA   | NA                              | NA                                 |

**IV. SHARE HOLDING PATTERN** (Equity Share Capital Breakup as percentage of Total Equity):

**i) Category-wise Share Holding:**

| Category of Shareholders | No. of Shares held at the beginning of the year [As on 31-March-2014] |          |       |                   | No. of Shares held at the end of the year [As on 31-March-2015] |          |       |                   | % Change during the year |
|--------------------------|---|----------|-------|-------------------|---|----------|-------|-------------------|--------------------------|
|                          | Demat   | Physical | Total | % of Total Shares | Demat   | Physical | Total | % of Total Shares |                          |

**A. Promoters**

**A1. Indian**

|                   |         |   |         |       |         |   |         |       |      |
|-------------------|---------|---|---------|-------|---------|---|---------|-------|------|
| a) Individual/HUF | 7932776 | 0 | 7932776 | 33.90 | 8486742 | 0 | 8486742 | 36.27 | 2.37 |
| b) Central Govt.  | 0       | 0 | 0       | 0     | 0       | 0 | 0       | 0     | 0    |
| c) State Govt.    | 0       | 0 | 0       | 0     | 0       | 0 | 0       | 0     | 0    |
| d) Bodies Corp.   | 7628968 | 0 | 7628968 | 32.60 | 7704018 | 0 | 7704018 | 32.92 | 0.32 |
| e) Banks/FI       | 0       | 0 | 0       | 0     | 0       | 0 | 0       | 0     | 0    |
| f) Any other      | 0       | 0 | 0       | 0     | 0       | 0 | 0       | 0     | 0    |

**A2. Foreign**

|  |          |   |          |       |          |   |          |       |      |
|--|----------|---|----------|-------|----------|---|----------|-------|------|
| a) NRIs - Individuals                          | 0        | 0 | 0        | 0     | 0        | 0 | 0        | 0     | 0    |
| b) Other - Individuals                         | 0        | 0 | 0        | 0     | 0        | 0 | 0        | 0     | 0    |
| c) Bodies Corporate                            | 0        | 0 | 0        | 0     | 0        | 0 | 0        | 0     | 0    |
| d) Banks / Financial Institutions              | 0        | 0 | 0        | 0     | 0        | 0 | 0        | 0     | 0    |
| e) Any Other                                   | 0        | 0 | 0        | 0     | 0        | 0 | 0        | 0     | 0    |
| Total shareholding of promoters<br>A = (A1+A2) | 15561744 | 0 | 15561744 | 66.50 | 16190760 | 0 | 16190760 | 69.19 | 2.69 |

**B. Public Shareholding**

**B1. Institutions**

|                  |     |   |     |   |     |   |     |   |   |
|------------------|-----|---|-----|---|-----|---|-----|---|---|
| a) Mutual Funds  | 0   | 0 | 0   | 0 | 0   | 0 | 0   | 0 | 0 |
| b) Banks/FI      | 700 | 0 | 700 | 0 | 700 | 0 | 700 | 0 | 0 |
| c) Central Govt. | 0   | 0 | 0   | 0 | 0   | 0 | 0   | 0 | 0 |

| Category of Shareholders         | No. of Shares held at the beginning of the year [As on 31-March-2014] |          |       |                   | No. of Shares held at the end of the year [As on 31-March-2015] |          |       |                   | % Change during the year |
|----------------------------------|---|----------|-------|-------------------|---|----------|-------|-------------------|--------------------------|
|                                  | Demat   | Physical | Total | % of Total Shares | Demat   | Physical | Total | % of Total Shares |                          |
| d) State Govt.                   | 0   | 0        | 0     | 0                 | 0   | 0        | 0     | 0                 | 0                        |
| e) Venture Capital Funds         | 0   | 0        | 0     | 0                 | 0   | 0        | 0     | 0                 | 0                        |
| f) Insurance Companies           | 0   | 0        | 0     | 0                 | 0   | 0        | 0     | 0                 | 0                        |
| g) FII's                         | 0   | 0        | 0     | 0                 | 0   | 0        | 0     | 0                 | 0                        |
| h) Foreign Venture Capital Funds | 0   | 0        | 0     | 0                 | 0   | 0        | 0     | 0                 | 0                        |
| i) Others (specify)              | 0   | 0        | 0     | 0                 | 0   | 0        | 0     | 0                 | 0                        |
| Sub-total B1                     | 700   | 0        | 700   | 0                 | 700   | 0        | 700   | 0                 | 0                        |

## B2. Non-Institutions

### a) Bodies Corporate

|              |         |   |         |      |         |   |         |      |        |
|--------------|---------|---|---------|------|---------|---|---------|------|--------|
| i) Indian    | 1745366 | 0 | 1745366 | 7.46 | 1074609 | 0 | 1074609 | 4.59 | (2.87) |
| ii) Overseas | 0       | 0 | 0       | 0    | 0       | 0 | 0       | 0    | 0      |

### b) Individual

|  |         |      |         |       |         |      |         |       |        |
|--|---------|------|---------|-------|---------|------|---------|-------|--------|
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh         | 3705504 | 7362 | 3712866 | 15.87 | 3133192 | 7208 | 3140400 | 13.42 | (2.45) |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 2317867 | 0    | 2317867 | 9.91  | 2938445 | 0    | 2938445 | 12.56 | 2.65   |

| Category of Shareholders                               | No. of Shares held at the beginning of the year [As on 31-March-2014] |          |          |                   | No. of Shares held at the end of the year [As on 31-March-2015] |          |          |                   | % Change during the year |
|--|---|----------|----------|-------------------|---|----------|----------|-------------------|--------------------------|
|  | Demat   | Physical | Total    | % of Total Shares | Demat   | Physical | Total    | % of Total Shares |                          |
| c) Others (specify)                                    |   |          |          |                   |   |          |          |                   |                          |
| i) Non Resident Indians                                | 55416   | 0        | 55416    | 0.24              | 45987   | 0        | 45987    | 0.20              | (0.04)                   |
| ii) Overseas Corporate Bodies                          | 0   | 0        | 0        | 0                 | 0   | 0        | 0        | 0                 | 0                        |
| iii) Foreign Nationals                                 | 0   | 0        | 0        | 0                 | 0   | 0        | 0        | 0                 | 0                        |
| iv) Clearing Members                                   | 6041  | 0        | 6041     | 0.03              | 9099  | 0        | 9099     | 0.04              | (0.01)                   |
| v) Trusts  | 0   | 0        | 0        | 0                 | 0   | 0        | 0        | 0                 | 0                        |
| vi) Foreign Bodies - DR                                | 0   | 0        | 0        | 0                 | 0   | 0        | 0        | 0                 | 0                        |
| Sub-total B2   | 7830194   | 7362     | 7837556  | 33.49             | 7201332   | 7208     | 7208540  | 30.81             | (2.68)                   |
| Total Public Shareholding B=B1+ B2                     | 7830894   | 7362     | 7838256  | 33.50             | 7202032   | 7208     | 7209240  | 30.81             | (2.69)                   |
| <b>C. Shares held by Custodian for GDRs &amp; ADRs</b> | 0   | 0        | 0        | 0                 | 0   | 0        | 0        | 0                 | 0                        |
| Grand Total (A+B+C)                                    | 23392638  | 7362     | 23400000 | 100               | 23392792  | 7208     | 23400000 | 100               | 0                        |

ii) Shareholding of Promoter:

| Sr. No. | Shareholder's Name             | Shareholding at the beginning of the year |                                  |   | Shareholding at the end of the year |                                  |   | % change in shareholding during the year |
|---------|--------------------------------|---|----------------------------------|---|-------------------------------------|----------------------------------|---|--|
|         |                                | No. of Shares                             | % of total Shares of the company | % of Shares pledged/ encumbered to total shares | No. of Shares                       | % of total Shares of the company | % of Shares pledged/ encumbered to total shares |  |
| 1.      | Kamdhenu Overseas Limited      | 2999873                                   | 12.82                            | 0   | 2999873                             | 12.82                            | 0   | 0  |
| 2.      | Kamdhenu Paint Industries Ltd. | 1501651                                   | 6.42                             | 0   | 1501701                             | 6.42                             | 0   | 0  |
| 3.      | Kamdhenu Concast Limited       | 1338510                                   | 5.72                             | 0   | 1413510                             | 6.04                             | 0   | 0.32                                     |



| Sr. No. | Shareholder's Name                 | Shareholding at the beginning of the year |                                  |   | Shareholding at the end of the year |                                  |   | % change in shareholding during the year |
|---------|------------------------------------|---|----------------------------------|---|-------------------------------------|----------------------------------|---|--|
|         |                                    | No. of Shares                             | % of total Shares of the company | % of Shares pledged/ encumbered to total shares | No. of Shares                       | % of total Shares of the company | % of Shares pledged/ encumbered to total shares |  |
| 4.      | Sunil Kumar Agarwal                | 1295292                                   | 5.54                             | 0   | 1295292                             | 5.54                             | 0   | 0  |
| 5.      | Satish Kumar Agarwal               | 1281842                                   | 5.48                             | 0   | 1281842                             | 5.48                             | 0   | 0  |
| 6.      | Sarita Agarwal                     | 1103700                                   | 4.72                             | 0   | 1354450                             | 5.79                             | 0   | 1.07                                     |
| 7.      | Shafali Agarwal                    | 763842                                    | 3.26                             | 0   | 763842                              | 3.26                             | 0   | 0  |
| 8.      | Sachin Agarwal                     | 622280                                    | 2.66                             | 0   | 673719                              | 2.88                             | 0   | 0.22                                     |
| 9.      | Kamdhenу Infradevelopers Limited   | 600000                                    | 2.56                             | 0   | 600000                              | 2.56                             | 0   | 0  |
| 10.     | Kamdhenу Nutrients Private Limited | 600000                                    | 2.56                             | 0   | 600000                              | 2.56                             | 0   | 0  |
| 11.     | Kay2 Steel Limited                 | 588934                                    | 2.52                             | 0   | 588934                              | 2.52                             | 0   | 0  |
| 12.     | Saurabh Agarwal                    | 576500                                    | 2.46                             | 0   | 576500                              | 2.46                             | 0   | 0  |
| 13.     | Radha Agarwal                      | 383100                                    | 1.64                             | 0   | 541877                              | 2.32                             | 0   | 0.68                                     |
| 14.     | Satish Kumar Agarwal (HUF)         | 365900                                    | 1.56                             | 0   | 365900                              | 1.56                             | 0   | 0  |
| 15.     | Shatul Agarwal                     | 337700                                    | 1.44                             | 0   | 337700                              | 1.44                             | 0   | 0  |
| 16.     | Sunil Kumar (HUF)                  | 300280                                    | 1.28                             | 0   | 300280                              | 1.28                             | 0   | 0  |
| 17.     | Shivani Agarwal                    | 240235                                    | 1.03                             | 0   | 255235                              | 1.09                             | 0   | 0.06                                     |
| 18.     | Priyanka Agarwal                   | 231129                                    | 0.99                             | 0   | 244129                              | 1.04                             | 0   | 0.05                                     |
| 19.     | Ishita Agarwal                     | 145716                                    | 0.62                             | 0   | 210716                              | 0.90                             | 0   | 0.28                                     |
| 20.     | Somya Agarwal                      | 144660                                    | 0.62                             | 0   | 144660                              | 0.62                             | 0   | 0  |
| 21.     | Ayush Agarwal                      | 90600                                     | 0.39                             | 0   | 90600                               | 0.39                             | 0   | 0  |
| 22.     | Ayush Agarwal(HUF)                 | 50000                                     | 0.21                             | 0   | 50000                               | 0.21                             | 0   | 0  |
|         | Total                              | 15561744                                  | 66.5                             | 0   | 16190760                            | 69.19                            | 0   | 2.69                                     |

**iii) Change in Promoters' Shareholding** (please specify, if there is no change):

| Particulars     | Shareholding at the beginning of the year |                                  | Date     | Increase/<br>Decrease<br>in<br>share<br>holding | Reason   | Cumulative Shareholding during the year |                                  |
|-----------------|---|----------------------------------|----------|---|----------|---|----------------------------------|
|                 | No. of shares                             | % of total shares of the company |          |   |          | No. of shares                           | % of total shares of the company |
| Opening Balance | 15561794                                  | 66.50                            | 31.03.14 | -   | -        | 15561794                                | 66.50                            |
| Purchase        | -   | -                                | 01.04.14 | 50000   | Transfer | 15611794                                | 66.71                            |
| Purchase        | -   | -                                | 03.07.14 | 133750  | Transfer | 15745544                                | 67.28                            |
| Purchase        | -   | -                                | 04.07.14 | 263000  | Transfer | 16008544                                | 68.40                            |
| Purchase        | -   | -                                | 07.07.14 | 155777  | Transfer | 16164321                                | 69.07                            |
| Purchase        | -   | -                                | 09.02.15 | 9680  | Transfer | 16174001                                | 69.11                            |
| Purchase        | -   | -                                | 10.02.15 | 9549  | Transfer | 16183550                                | 69.15                            |
| Purchase        | -   | -                                | 11.02.15 | 6000  | Transfer | 16189550                                | 69.18                            |
| Purchase        | -   | -                                | 16.02.15 | 1210  | Transfer | 16190760                                | 69.19                            |
| Closing Balance | -   | -                                | 31.03.15 | -   | -        | 16190760                                | 69.19                            |

**iv) Shareholding Pattern of Top Ten Shareholders** (Other than Directors, Promoters and Holders of GDRs and ADRs):

| Sr. No. | For Each of the Top 10 Shareholders | Shareholding at the beginning of the year |                                  | Date     | Increase/<br>Decrease<br>in<br>share<br>holding | Reason   | Cumulative Shareholding during the year |                                  |
|---------|-------------------------------------|---|----------------------------------|----------|---|----------|---|----------------------------------|
|         |                                     | No. of shares                             | % of total shares of the company |          |   |          | No. of shares                           | % of total shares of the company |
| 1.      | Pradeep Kumar Garg                  | 476391                                    | 2.04                             | 31.03.14 | -   | -        | 476391                                  | 2.04                             |
|         | Sale                                | -   | -                                | 29.08.14 | -397438   | Transfer | 78953                                   | 0.38                             |
|         | Purchase                            | -   | -                                | 05.09.14 | 397438  | Transfer | 476391                                  | 2.04                             |
|         | Closing Balance                     | -   | -                                | 31.03.15 | -   | -        | 476391                                  | 2.04                             |
| 2.      | Sangeetha S                         | 348190                                    | 1.49                             | 31.03.14 | -   | -        | 348190                                  | 1.49                             |
|         | Closing Balance                     | -   | -                                | 31.03.15 | -   | -        | 348190                                  | 1.49                             |
| 3.      | Indian Securities Ltd.              | 266330                                    | 1.14                             | 31.03.14 | -   | -        | 266330                                  | 1.14                             |
|         | Sale                                | -   | -                                | 29.08.14 | -266330   | Transfer | 0                                       | 0                                |
|         | Purchase                            | -   | -                                | 05.09.14 | 266330  | Transfer | 266330                                  | 1.14                             |
|         | Closing Balance                     | -   | -                                | 31.03.15 | -   | -        | 266330                                  | 1.14                             |
| 4.      | Kotak Mahindra Investment Limited   | 250000                                    | 1.07                             | 31.03.14 | -   | -        | 250000                                  | 1.07                             |
|         | Sale                                | -   | -                                | 04.04.14 | -201614   | Transfer | 48386                                   | 0.21                             |
|         | Sale                                | -   | -                                | 18.04.14 | -10872  | Transfer | 37514                                   | 0.16                             |
|         | Purchase                            | -   | -                                | 25.04.14 | 150000  | Transfer | 187514                                  | 0.80                             |

| Sr. No. | For Each of the Top 10 Shareholders       | Shareholding at the beginning of the year |                                  | Date     | Increase/ Decrease in share holding | Reason   | Cumulative Shareholding during the year |                                  |
|---------|---|---|----------------------------------|----------|-------------------------------------|----------|---|----------------------------------|
|         |   | No. of shares                             | % of total shares of the company |          |                                     |          | No. of shares                           | % of total shares of the company |
|         | Sale                                      | -   | -                                | 04.07.14 | -55583                              | Transfer | 175000                                  | 0.75                             |
|         | Sale                                      | -   | -                                | 11.07.14 | -155000                             | Transfer | 20000                                   | 0.09                             |
|         | Purchase                                  | -   | -                                | 01.08.14 | 1196                                | Transfer | 21196                                   | 0.09                             |
|         | Purchase                                  | -   | -                                | 15.08.14 | 2428                                | Transfer | 23624                                   | 0.10                             |
|         | Purchase                                  | -   | -                                | 22.08.14 | 600                                 | Transfer | 24224                                   | 0.10                             |
|         | Sale                                      | -   | -                                | 05.09.14 | -4224                               | Transfer | 20000                                   | 0.09                             |
|         | Closing Balance                           | -   | -                                | 31.03.15 | -                                   | -        | 20000                                   | 0.09                             |
| 5.      | Three Dee Exim Pvt. Ltd                   | 234500                                    | 1.00                             | 31.03.14 | -                                   | -        | 234500                                  | 1.00                             |
|         | Closing Balance                           | -   | -                                | 31.03.15 | -                                   | -        | 234500                                  | 1.00                             |
| 6.      | Moneywise Financial Services Private Ltd. | 196363                                    | 0.84                             | 31.03.14 | -                                   | -        | 196363                                  | 0.84                             |
|         | Sale                                      | -   | -                                | 04.04.14 | -50000                              | Transfer | 146363                                  | 0.63                             |
|         | Sale                                      | -   | -                                | 23.05.14 | -36012                              | Transfer | 110351                                  | 0.47                             |
|         | Sale                                      | -   | -                                | 30.05.14 | -110351                             | Transfer | 0                                       | 0                                |
|         | Purchase                                  | -   | -                                | 06.03.15 | 200                                 | Transfer | 200                                     | 0                                |
|         | Closing Balance                           | -   | -                                | 31.03.15 | -                                   | -        | 200                                     | 0                                |
| 7.      | Anubha Jain                               | 146126                                    | 0.62                             | 31.03.14 | -                                   | -        | 146126                                  | 0.62                             |
|         | Closing Balance                           | -   | -                                | 31.03.15 | -                                   | -        | 146126                                  | 0.62                             |
| 8.      | Hetalben Manojkumar                       | 0   | 0                                | 31.03.14 | -                                   | -        | 0                                       | 0                                |
|         | Purchase                                  | -   | -                                | 11.07.14 | Transfer                            | 42693    | 42693                                   | 0.18                             |
|         | Purchase                                  | -   | -                                | 18.07.14 | Transfer                            | 5850     | 48543                                   | 0.21                             |
|         | Sale                                      | -   | -                                | 25.07.14 | Transfer                            | -1000    | 47543                                   | 0.20                             |
|         | Sale                                      | -   | -                                | 01.08.14 | Transfer                            | -1000    | 46543                                   | 0.20                             |
|         | Sale                                      | -   | -                                | 08.08.14 | Transfer                            | -8500    | 38043                                   | 0.16                             |
|         | Sale                                      | -   | -                                | 15.08.14 | Transfer                            | -5500    | 32543                                   | 0.14                             |
|         | Sale                                      | -   | -                                | 22.08.14 | Transfer                            | -3383    | 29160                                   | 0.12                             |
|         | Sale                                      | -   | -                                | 29.08.14 | Transfer                            | -29160   | 0                                       | 0                                |
|         | Purchase                                  | -   | -                                | 05.09.14 | Transfer                            | 24160    | 24160                                   | 0.10                             |
|         | Sale                                      | -   | -                                | 19.09.14 | Transfer                            | -6200    | 17960                                   | 0.08                             |
|         | Sale                                      | -   | -                                | 30.09.14 | Transfer                            | -1000    | 16960                                   | 0.07                             |
|         | Purchase                                  | -   | -                                | 17.10.14 | Transfer                            | 234      | 17194                                   | 0.07                             |
|         | Sale                                      | -   | -                                | 31.10.14 | Transfer                            | -10500   | 6694                                    | 0.03                             |

| Sr. No. | For Each of the Top 10 Shareholders | Shareholding at the beginning of the year |                                  | Date     | Increase/Decrease in share holding | Reason   | Cumulative Shareholding during the year |                                  |
|---------|-------------------------------------|---|----------------------------------|----------|------------------------------------|----------|---|----------------------------------|
|         |                                     | No. of shares                             | % of total shares of the company |          |                                    |          | No. of shares                           | % of total shares of the company |
|         | Purchase                            | -   | -                                | 05.12.14 | Transfer                           | 98473    | 105167                                  | 0.45                             |
|         | Purchase                            | -   | -                                | 12.12.14 | Transfer                           | 1638     | 106805                                  | 0.46                             |
|         | Purchase                            | -   | -                                | 19.12.14 | Transfer                           | 2599     | 109404                                  | 0.47                             |
|         | Purchase                            | -   | -                                | 31.12.14 | Transfer                           | 1500     | 110904                                  | 0.47                             |
|         | Purchase                            | -   | -                                | 02.01.15 | Transfer                           | 15220    | 126124                                  | 0.54                             |
|         | Purchase                            | -   | -                                | 09.01.15 | Transfer                           | 171      | 126295                                  | 0.54                             |
|         | Purchase                            | -   | -                                | 16.01.15 | Transfer                           | 3579     | 129874                                  | 0.56                             |
|         | Purchase                            | -   | -                                | 23.01.15 | Transfer                           | 1454     | 131328                                  | 0.56                             |
|         | Purchase                            | -   | -                                | 30.01.15 | Transfer                           | 900      | 132228                                  | 0.57                             |
|         | Purchase                            | -   | -                                | 13.02.15 | Transfer                           | 40       | 132268                                  | 0.57                             |
|         | Sale                                | -   | -                                | 20.02.15 | Transfer                           | -3800    | 128468                                  | 0.55                             |
|         | Purchase                            | -   | -                                | 13.03.15 | Transfer                           | 354      | 128822                                  | 0.55                             |
|         | Purchase                            | -   | -                                | 20.03.15 | Transfer                           | 16747    | 145569                                  | 0.62                             |
|         | Purchase                            | -   | -                                | 27.03.15 | Transfer                           | 109      | 145678                                  | 0.62                             |
|         | Closing Balance                     | -   | -                                | 31.03.15 | -                                  | -        | 145678                                  | 0.62                             |
| 9.      | Rita Goyal                          | -   | -                                | 31.03.14 | -                                  | -        | 0                                       | 0.00                             |
|         | Purchase                            | -   | -                                | 20.03.15 | 71000                              | Transfer | 71000                                   | 0.30                             |
|         | Purchase                            | -   | -                                | 27.03.15 | 72183                              | Transfer | 143183                                  | 0.61                             |
|         | Closing Balance                     | -   | -                                | 31.03.15 | -                                  | -        | 143183                                  | 0.61                             |
| 10.     | Meenu Garg                          | 140000                                    | 0.60                             | 31.03.14 | -                                  | -        | 140000                                  | 0.60                             |
|         | Sale                                | -   | -                                | 29.08.14 | -140000                            | Transfer | 0                                       | 0                                |
|         | Purchase                            | -   | -                                | 05.09.14 | 140000                             | Transfer | 140000                                  | 0.60                             |
|         | Closing Balance                     | -   | -                                | 31.03.15 | -                                  | -        | 140000                                  | 0.60                             |
| 11.     | Devang Atulkumar Shah               | 0   | 0                                | 31.03.14 | -                                  | -        | 0                                       | 0.00                             |
|         | Purchase                            | -   | -                                | 14.11.14 | 133000                             | Transfer | 133000                                  | 0.57                             |
|         | Closing Balance                     | -   | -                                | 31.03.15 | -                                  | -        | 133000                                  | 0.57                             |
| 12.     | Shrim Investment                    | 124951                                    | 0.53                             | 31.03.14 | -                                  | -        | 124951                                  | 0.53                             |
|         | Sale                                | -   | -                                | 23.05.14 | -44934                             | Transfer | 80017                                   | 0.34                             |
|         | Sale                                | -   | -                                | 30.05.14 | -39881                             | Transfer | 40136                                   | 0.17                             |
|         | Sale                                | -   | -                                | 06.06.14 | -40136                             | Transfer | 0                                       | 0                                |
|         | Closing Balance                     | -   | -                                | 31.03.15 | -                                  | -        | 0                                       | 0                                |
| 13.     | Vikram Jain                         | 114897                                    | 0.49                             | 31.03.14 | -                                  | -        | 114897                                  | 0.49                             |
|         | Closing Balance                     | -   | -                                | 31.03.15 | -                                  | -        | 114897                                  | 0.49                             |



v) Shareholding of Directors and Key Managerial Personnel:

| Sr. No. | Shareholding of each Directors and each Key Managerial Personnel | Shareholding at the beginning of the year |                                  | Date     | Increase/ Decrease in share holding | Reason   | Cumulative Shareholding during the year |                                  |
|---------|--|---|----------------------------------|----------|-------------------------------------|----------|---|----------------------------------|
|         |  | No. of shares                             | % of total shares of the company |          |                                     |          | No. of shares                           | % of total shares of the company |
| 1.      | Satish Kumar Agarwal   | 1281842                                   | 5.48                             | 31.03.14 | -                                   | -        | 1281842                                 | 5.48                             |
|         | Closing Balance  | -   | -                                | 31.03.15 | -                                   | -        | 1281842                                 | 5.48                             |
| 2.      | Sunil Kumar Agarwal  | 1295292                                   | 5.53                             | 31.03.14 | -                                   | -        | 1295292                                 | 5.53                             |
|         | Closing Balance  | -   | -                                | 31.03.15 | -                                   | -        | 1295292                                 | 5.53                             |
| 3.      | Saurabh Agarwal  | 576500                                    | 2.46                             | 31.03.14 | -                                   | -        | 576500                                  | 2.46                             |
|         | Closing Balance  | -   | -                                | 31.03.15 | -                                   | -        | 576500                                  | 2.46                             |
| 4.      | Sachin Agarwal   | 622280                                    | 2.66                             | 31.03.14 | -                                   | -        | 622280                                  | 2.66                             |
|         | Purchase   | -   | -                                | 01.04.14 | 25000                               | Transfer | 647280                                  | 2.77                             |
|         | Purchase   | -   | -                                | 09.02.15 | 9680                                | Transfer | 656960                                  | 2.81                             |
|         | Purchase   | -   | -                                | 10.02.15 | 9549                                | Transfer | 666509                                  | 2.85                             |
|         | Purchase   | -   | -                                | 11.02.15 | 6000                                | Transfer | 672509                                  | 2.87                             |
|         | Purchase   | -   | -                                | 16.02.15 | 1210                                | Transfer | 673719                                  | 2.88                             |
|         | Closing Balance  | -   | -                                | 31.03.15 | -                                   | -        | 673719                                  | 2.88                             |
| 5.      | Mahendra Kumar Doogar  | 0   | 0                                | 31.03.14 | -                                   | -        | 0                                       | 0                                |
|         | Closing Balance  | -   | -                                | 31.03.15 | -                                   | -        | 0                                       | 0                                |
| 6.      | Radha Krishna Pandey   | 0   | 0                                | 31.03.14 | -                                   | -        | 0                                       | 0                                |
|         | Closing Balance  | -   | -                                | 31.03.15 | -                                   | -        | 0                                       | 0                                |
| 7.      | Ramesh Chand Surana  | 0   | 0                                | 31.03.14 | -                                   | -        | 0                                       | 0                                |
|         | Closing Balance  | -   | -                                | 31.03.15 | -                                   | -        | 0                                       | 0                                |
| 8.      | Nishal Jain  | 0   | 0                                | 31.03.14 | -                                   | -        | 0                                       | 0                                |
|         | Closing Balance  | -   | -                                | 31.03.15 | -                                   | -        | 0                                       | 0                                |
| 9.      | Harish Kumar Agarwal   | 0   | 0                                | 31.03.14 | -                                   | -        | 0                                       | 0                                |
|         | Closing Balance  | -   | -                                | 31.03.15 | -                                   | -        | 0                                       | 0                                |
| 10.     | Jogeswar Mohanty   | 0   | 0                                | 31.03.14 | -                                   | -        | 0                                       | 0                                |
|         | Closing Balance  | -   | -                                | 31.03.15 | -                                   | -        | 0                                       | 0                                |

**V. INDEBTEDNESS** - Indebtedness of the Company including interest outstanding/accrued but not due for payment: **(Amount in ₹)**

|   | Secured Loans<br>excluding deposits | Unsecured<br>Loans | Deposits | Total<br>Indebtedness |
|---|-------------------------------------|--------------------|----------|-----------------------|
| <b>Indebtedness at the beginning of<br/>the financial year (31.03.2014)</b> |                                     |                    |          |                       |
| i) Principal Amount   | 30295541                            | 112559483          | 0        | 142855024             |
| ii) Interest due but not paid   | 0                                   | 0                  | 0        | 0                     |
| iii) Interest accrued but not due   | 354680                              | 0                  | 0        | 354680                |
| Total (i+ii+iii)  | 30650221                            | 112559483          | 0        | 143209704             |
| <b>Change in Indebtedness during<br/>the financial year</b>                 |                                     |                    |          |                       |
| * Addition  | 22048957                            | 25447078           | 0        | 47496035              |
| * Reduction   | 18299040                            | 38492817           | 0        | 56791857              |
| Net Change  | 3749917                             | (13045739)         | 0        | (9295822)             |
| <b>Indebtedness at the end of<br/>the financial year(31.03.2015)</b>        |                                     |                    |          |                       |
| i) Principal Amount   | 34045458                            | 99513744           | 0        | 133559202             |
| ii) Interest due but not paid   | 0                                   | 0                  | 0        | 0                     |
| iii) Interest accrued but not due   | 241286                              | 0                  | 0        | 241286                |
| Total (i+ii+iii)  | 34286744                            | 99513744           | 0        | 133800488             |

**VI. Remuneration of Directors and Key Managerial Personnel**

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

| Sr.<br>No. | Particulars of Remuneration   | Name of MD/WTD/ Manager    |                           |                    |                   | Total<br>Amount |
|------------|---|----------------------------|---------------------------|--------------------|-------------------|-----------------|
|            |   | Satish<br>Kumar<br>Agarwal | Sunil<br>Kumar<br>Agarwal | Saurabh<br>Agarwal | Sachin<br>Agarwal |                 |
| 1.         | Gross salary  |                            |                           |                    |                   |                 |
|            | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 3979200                    | 3919200                   | 3679200            | 3679200           | 15256800        |
|            | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             | 0                          | 0                         | 0                  | 0                 | 0               |
|            | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961             | 0                          | 0                         | 0                  | 0                 | 0               |
| 2.         | Stock Option  | 0                          | 0                         | 0                  | 0                 | 0               |
| 3.         | Sweat Equity  | 0                          | 0                         | 0                  | 0                 | 0               |
| 4.         | Commission  | 0                          | 0                         | 0                  | 0                 | 0               |
|            | - as % of profit  |                            |                           |                    |                   |                 |
|            | - others specify  |                            |                           |                    |                   |                 |
| 5.         | Others, please specify  | 0                          | 0                         | 0                  | 0                 | 0               |
|            | Total (A)   | 3979200                    | 3919200                   | 3679200            | 3679200           | 15256800        |
|            | Ceiling as per the Act  |                            |                           |                    |                   |                 |


**B. Remuneration to other directors**

| Sr. No.   | Particulars of Remuneration                | Name of Directors   |                      |                     |              |                        | Total Amount  |  |
|-----------|--|---|----------------------|---------------------|--------------|------------------------|---------------|--|
|           |  | Mahendra Kumar Doogar                                     | Radha Krishna Pandey | Ramesh Chand Surana | Nishal Jain  | Purshottam Das Agarwal |               |  |
| <b>1.</b> | <b>Independent Directors</b>               |   |                      |                     |              |                        |               |  |
|           | Fee for attending board Meetings           | 70000   | 80000                | 40000               | 50000        | 10000                  | 250000        |  |
|           | Fee for attending committee meetings       | 45000   | 50000                | 20000               | 0            | 5000                   | 120000        |  |
|           | Commission                                 | 0   | 0                    | 0                   | 0            | 0                      | 0             |  |
|           | Others, please specify                     | 0   | 0                    | 0                   | 0            | 0                      | 0             |  |
|           | <b>Total (1)</b>                           | <b>115000</b>   | <b>130000</b>        | <b>60000</b>        | <b>50000</b> | <b>15000</b>           | <b>370000</b> |  |
| <b>2.</b> | <b>Other Non-Executive Directors</b>       | N.A   | N.A                  | N.A                 | N.A          | N.A                    | N.A           |  |
|           | Fee for attending board committee meetings | 0   | 0                    | 0                   | 0            | 0                      | 0             |  |
|           | Commission                                 | 0   | 0                    | 0                   | 0            | 0                      | 0             |  |
|           | Others, please specify                     | 0   | 0                    | 0                   | 0            | 0                      | 0             |  |
|           | <b>Total (2)</b>                           | <b>0</b>  | <b>0</b>             | <b>0</b>            | <b>0</b>     | <b>0</b>               | <b>0</b>      |  |
|           | <b>Total (B)=(1+2)</b>                     | <b>115000</b>   | <b>130000</b>        | <b>60000</b>        | <b>50000</b> | <b>15000</b>           | <b>370000</b> |  |
|           | <b>Total Managerial Remuneration (A+B)</b> | <b>15626800</b>   |                      |                     |              |                        |               |  |
|           | Overall Ceiling as per the Act             | Being Paid as per Shedule XIII of the Companies Act, 1956 |                      |                     |              |                        |               |  |

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD**

| Sr. No.   | Particulars of Remuneration   | Key Managerial Personnel |                         |                   | Total          |
|-----------|---|--------------------------|-------------------------|-------------------|----------------|
|           |   | CEO                      | Chief Financial Officer | Company Secretary |                |
| <b>1.</b> | <b>Gross salary</b>   |                          |                         |                   |                |
|           | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | NA                       | 1595496                 | 608997            | 2204493        |
|           | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             |                          | 0                       | 0                 | 0              |
|           | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961              |                          | 0                       | 0                 | 0              |
| <b>2.</b> | <b>Stock Option</b>   |                          | 0                       | 0                 | 0              |
| <b>3.</b> | <b>Sweat Equity</b>   |                          | 0                       | 0                 | 0              |
| <b>4.</b> | <b>Commission</b>   |                          | 0                       | 0                 | 0              |
|           | -as % of profit   |                          | 0                       | 0                 | 0              |
|           | - others, specify   |                          | 0                       | 0                 | 0              |
| <b>5.</b> | <b>Others, please specify</b>   |                          | 0                       | 0                 | 0              |
|           | <b>Total</b>  |                          | <b>1595496</b>          | <b>608997</b>     | <b>2204493</b> |

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

| Type                                | Section of the Companies Act | Brief Description | Details of Penalty / Punishment/ Compounding fees imposed | Authority [RD / NCLT/ COURT] | Appeal made, if any (give Details) |
|-------------------------------------|------------------------------|-------------------|---|------------------------------|------------------------------------|
| <b>A. COMPANY</b>                   |                              |                   |   |                              |                                    |
| Penalty                             | NA                           | NA                | NA  | NA                           | NA                                 |
| Punishment                          | NA                           | NA                | NA  | NA                           | NA                                 |
| Compounding                         | NA                           | NA                | NA  | NA                           | NA                                 |
| <b>B. DIRECTORS</b>                 |                              |                   |   |                              |                                    |
| Penalty                             | NA                           | NA                | NA  | NA                           | NA                                 |
| Punishment                          | NA                           | NA                | NA  | NA                           | NA                                 |
| Compounding                         | NA                           | NA                | NA  | NA                           | NA                                 |
| <b>C. OTHER OFFICERS IN DEFAULT</b> |                              |                   |   |                              |                                    |
| Penalty                             | NA                           | NA                | NA  | NA                           | NA                                 |
| Punishment                          | NA                           | NA                | NA  | NA                           | NA                                 |
| Compounding                         | NA                           | NA                | NA  | NA                           | NA                                 |



# Corporate Governance Report

## 1. Company's practice on Corporate Governance

Corporate Governance is the combination of practices and compliance with laws and regulations leading to effective control and management of the Organisation. We consider stakeholders as our partners in our success and remain committed to maximizing stakeholder value. Good Corporate Governance leads to long term stakeholder value. This is demonstrated in shareholder returns, high credit ratings, governance processes and an entrepreneurial performance focused work environment. Additionally, our customers have benefited from high quality products delivered on time at high competitive prices. Integrity, transparency and accountability are the major ingredients of the philosophy behind the Corporate Governance practices adopted by Kamdhenu Ispat Limited. The various aspects at operational level, quality, delivery, innovation or CSR are the embodiment of the above principles. The Company has a well established and proven system which not only ensures complete transparency and fairness but also ensures the integrity in the operations and conduct of the company.

Your Company is committed to the adoption of and adherence to the best Corporate Governance practices at all times and continuously benchmarks itself with the best standards of Corporate Governance, not only in form but also in spirit. Good Governance practices stem from the dynamic culture and positive mindset of the organization. Disclosure of information pertaining to financial situation, performance, ownership and governance is an important part of corporate governance. However any disclosure makes sense only when it is made accurately and on time and we have always been very disciplined in every disclosure. Existence of a strong mechanism to ensure the regulatory compliances is another aspect on which the company has sets a very high standard. The Company continues its endeavor to achieve corporate excellence in its functioning and conduct of business with strong accountability so as to generate sustainable economic value for all its stakeholders.

### 1.1 Key Board activities during the year

The Board provides and critically evaluates strategic direction of the Company, management policies and their effectiveness. Their main function is to ensure that long-term interests of the stakeholders are being served. The agenda for Board reviews / include strategic review from each of the Board Committees, a detailed analysis and review of annual strategic and operation plans and capital allocation and budgets. In addition, the Board reviews the business plans of Business Divisions.

### 1.2 Role of the Company Secretary in Overall Governance Process

The Company Secretary plays a key role in ensuring that the Board procedures are followed and regularly reviewed. He ensures that all relevant information, details and documents are made available to the directors for effective decision making at the meetings. He is primarily responsible to ensure compliance with applicable statutory requirements and is the interface between the company and regulatory authorities. All the Directors of the Company have access to the services of the Company Secretary.

### 1.3 Selection and Appointment of New Directors on the Board

Considering the requirements of the skill-sets on the Board and the broad guidelines, eminent persons having an independent standing in their respective field/profession and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee for appointment of new Directors on the Board. The number of directorships and memberships in various committees of other companies by such persons is also considered.

#### 1.4 Selection criteria of Board Members

The Nomination and Remuneration Committee works with the Board to determine the appropriate characteristics, skills and experience required for the Board as a whole and for individual member. Board members are expected to possess expertise, leadership skills required to manage and guide a high growth.

#### 1.5 Familiarization Program of Independent Directors

The Independent directors of Kamdhenu Ispat 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. Updates on relevant statutory changes encompassing important laws are regularly intimated to the Independent directors. Details of such program has been disclosed on the website of the company.

#### 1.6 Prevention of Insider Trading

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 1992 read with Code of Conduct For Prevention of Insider Trading and SEBI (Prohibition of Insider Trading) Regulations, 2015 read with Code of Fair Disclosure Practices For Prevention of Insider Trading and Code Of Conduct To Regulate, Monitor And Report Trading By Insiders, the objective of the Code is to prevent purchase and / or sale of shares of the Company by an insider on the basis of unpublished price sensitive information. Under this Code, Designated persons (Directors, Advisors, Officers and other concerned employees / persons) are prevented from dealing in the Company's shares during the closure of Trading Window and while in possession of unpublished price sensitive information. All the designated employees are also required to disclose related information periodically as defined in the Code. The aforesaid Code is available at the website of the Company [www.kamdhenuispat.com](http://www.kamdhenuispat.com).

#### 1.7 Vigil Mechanism

Your Company has established a mechanism called 'Vigil Mechanism' for directors and employees to report to the appropriate authorities of unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy and provides safeguards against victimization of employees who avail the mechanism. The policy permits all the directors and employees to report their concerns directly to the Ethics Counselor/Chairman of the Audit Committee of the Company. The policy with the name and address of the Chairman of the Audit Committee has been communicated to the employees by uploading the same on the website of the Company. The employees can directly contact the Chairman of the Audit Committee.

### 2. Board of Directors

The Company has a high profile Board with varied management expertise. The Board's role, functions, responsibility and accountability are well known to them due to their vast experience. Directors are provided with well structured and comprehensive agenda papers in advance. All material information is incorporated in the Agenda for facilitating meaningful and focused discussion in the meeting. During the year, information as per Clause 49 of the Listing Agreement has been placed before the Board for its consideration from time to time as and when required. Minutes of the Board Meetings/Committee Meetings are circulated to the Directors well in advance and confirmed at the subsequent meetings.

## 2.1 Composition of Board

The Board of Directors, comprises of Eight (8) Directors, out of which Four (4) are Non-Executive Independent Directors including one woman Director. All statutory and material information was made available to the Board of Directors to ensure adequate disclosures and transparent decision making. None of the Director is a member of more than ten committees, or acts as Chairman of more than five committees, across all companies in which they are Director.

The Company has an appropriate size of the Board for real strategic discussion and avails benefit of diverse experience and viewpoints. All directors are individuals of integrity and courage, with relevant skills and experience to bring judgment to bear on the business of the Company.

## 2.2 Non-Executive Directors' compensation and disclosures

The Non-Executive Directors are paid sitting fee within the limits prescribed under Section 197(1)(ii) of the Act. No stock options were granted to Non-Executive Directors during the year under review. The Non-Executive Directors did not have any material pecuniary relationship or transactions with the Company except the payment of sitting fees during the financial year 2014-15.

Independent Directors are not serving as Independent Directors in more than seven listed companies.

None of Directors of the Company hold the position as whole Time Director in company itself nor serve as Independent Director in more than three listed companies.

Terms and conditions of appointment of independent directors has been disclosed on website of the Company.

## 2.3 Performance evaluation of Independent Directors:

The Nomination and Remuneration Committee evaluates the performance of Independent Directors and recommends the sitting fee payable to them based on their commitment towards attending the meetings of the Board/Committees, contribution and attention to the affairs of the Company and their overall performance.

## 2.4 Other provisions as to Board and Committees

The Board comprises of Mr.Satish Kumar Agarwal as Chairman & Managing Director, Mr.Sunil Kumar Agarwal, Mr.Saurabh Agarwal and Mr.Sachin Agarwal as Whole Time Directors, Mr.Mahendra Kumar Doogar, Mr.Radha Krishna Pandey, Mr.Ramesh Chand Surana and Mrs.Nishal Jain as independent Directors

During the year 2014-15, 04 (Four) meetings of the Board of Directors were held on 29th May, 2014, 31st July, 2014, 11th November, 2014 and 24th January, 2015. The Independent Directors met on 17th March, 2015. The maximum time gap between any two consecutive meetings did not exceed 120 days.

None of the Directors on the Board are Members of more than 10 Committees or Chairman of more than 5 Committees across all the companies in which they are Directors. Necessary disclosures regarding Committee positions in other public companies as on 31 March, 2015 have been made by the Directors as per Clause 49 (II) (D) of the listing agreement.

Details of attendance of Directors at Board Meetings and at the last Annual General Meeting held on 29th September, 2014 with particulars of their Directorships and Chairmanship/Membership of Board Committees of the companies showing the position as on 31 March, 2015 are given below:

| Name of Directors         | Category of Directorship           | No. of Board Meetings Attended | Attendance at Last AGM held on 29th September 2014 | No. of Directorship held in other Companies | No. of Board Committee Memberships held in other Companies. |          |
|---------------------------|------------------------------------|--------------------------------|--|---|---|----------|
|                           |                                    |                                |  |   | Member  | Chairman |
| Mr. Satish Kumar Agarwal  | Promoter/<br>Executive Director    | 4                              | Yes  | 4   | -   | -        |
| Mr. Sunil Kumar Agarwal   | Promoter/<br>Executive Director    | 4                              | Yes  | 6   | -   | -        |
| Mr. Saurabh Agarwal       | Executive Director                 | 4                              | Yes  | 6   | -   | -        |
| Mr. Sachin Agarwal        | Executive Director                 | 4                              | Yes  | 4   | -   | -        |
| Mr. Mahendra Kumar Doogar | Non-Executive Independent Director | 3                              | Yes  | 10  | 0   | 3        |
| Mr. Ramesh Chand Surana   | Non-Executive Independent Director | 1                              | Yes  | 3   | -   | -        |
| Mr. Radha Krishna Pandey  | Non-Executive Independent Director | 4                              | No   | 11  | 5   | 2        |
| Mrs.Nishal Jain*          | Non-Executive Independent Director | 2                              | Yes  | 0   | -   | -        |

\*Appointed as Director w.e.f. 31st July, 2014

## 2.5 Code of Conduct

The Board of Directors has laid Code of Conduct for Board Members & Senior Management Personnel of the Company. The copies of Code of Conduct as applicable to the Directors as well as Senior Management of the Company are uploaded on the website of the Company - [www.kamdhenuispat.com](http://www.kamdhenuispat.com). The Members of the Board and Senior Management personnel have affirmed the compliance with the Code applicable to them during the year ended on 31st March, 2015.

## 3. Board Committees

### 3.1 Audit Committee

#### A. Qualified and Independent Audit Committee

The Company complies with Section 177 of the Companies Act, 2013 as well as requirements under the listing agreement pertaining to the Audit Committee. Its functioning is as under:

- i. The Audit Committee presently consists of the three Non-Executive Independent Directors, and a Whole Time Director;
- ii. All members of the Committee are financially literate and having the requisite financial management expertise;
- iii. The Chairman of the Audit Committee is an Independent Director;
- iv. The Chairman of the Audit Committee was present at the last Annual General Meeting held on 29th September, 2014.

#### B. Terms of reference

The terms of reference of the Audit Committee include inter-alia:

- i. The recommendation for appointment, remuneration and terms of appointment of auditors of the company;

- ii. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- iii. Examination of the financial statement and the auditors' report thereon;
- iv. Approval or any subsequent modification of transactions of the company with related parties;
- v. Scrutiny of inter-corporate loans and investments;
- vi. Valuation of undertakings or assets of the company, wherever it is necessary;
- vii. Evaluation of internal financial controls and risk management systems;
- viii. Monitoring the end use of funds raised through public offers and related matters.
- ix. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.
- x. The Audit Committee shall have authority to investigate into any matter in relation to the items specified.
- xi. The auditors of a Company and the key managerial personnel shall have a right to be heard in the meetings of the Audit Committee when it considers the auditor's report but shall not have the right to vote.
- xii. 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.
- xiii. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- xiv. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- xv. Reviewing, with the management, the annual financial statements 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.
  - 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. Qualifications in the draft audit report.
- xvi. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- xvii. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
- xviii. 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.
- xix. Discussion with internal auditors any significant findings and follow up there on.
- xx. 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.
- xxi. 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.
- xxii. To look into the reasons for substantial defaults in the payment to shareholders (in case of non payment of declared dividends) and creditors.

- xxiii. To review the functioning of the Whistle Blower mechanism.
- xxiv. Approval of appointment of CFO after assessing the qualifications, experience & background, etc. of the candidate.
- xxv. To review the Management discussion and analysis of financial condition and results of operations;
- xxvi. To review a Statement of significant related party transactions (as defined by the audit committee), submitted by management.
- xxvii. To review Internal audit reports relating to internal control weaknesses;
- xxviii. To review the appointment, removal and terms of remuneration of the internal auditor;
- xxix. Carrying out any other function as mentioned in the terms of reference of the Audit Committee.

**C. Composition, names of Members and Chairperson, its meetings and attendance:**

The composition of the Audit Committee is Mr.Mahendra Kumar Doogar, Chairman and Mr.Sunil Kumar Agarwal, Mr.Radha Krishna Pandey and Mr.Ramesh Chand Surana as members of the Committee. During the year, 4 Audit Committee meetings were held on on 29th May, 2014, 31st July, 2014, 11th November, 2014 and 24th January, 2015.

The composition of the Audit Committee and number of meetings attended by the Members during the year are given below:

| Name                     | Category                           | Meetings held during FY2014-15 | Number of meetings attended |
|--------------------------|------------------------------------|--------------------------------|-----------------------------|
| Mr.Mahendra Kumar Doogar | Non Executive Independent Director | 4                              | 3                           |
| Mr.Sunil Kumar Agarwal   | Promoter, Executive Director       | 4                              | 4                           |
| Mr.Radha Krishna Pandey  | Non Executive Independent Director | 4                              | 4                           |
| Mr.Ramesh Chand Surana   | Non Executive Independent Director | 4                              | 1                           |

The Committee meetings were attended by invitation by the Chairman & Managing Director, CFO, the representatives of Statutory Auditors and representatives of the Internal Auditors. The Company Secretary acts as the Secretary of the Audit Committee.

There is no recommendations of Audit Committee which has not been accepted by the Board of Directors during the year under review.

**3.2 Nomination and Remuneration Committee**

**A. Constitution**

Nomination and Remuneration Committee consisting the following Directors :

1. Mr.Mahendra Kumar Doogar, Non Executive Independent Director
2. Mr.Radha Krishna Pandey, Non Executive Independent Director
3. Mr.Ramesh Chand Surana, Non Executive Independent Director

Mr. Mahendra Kumar Doogar act as a Chairman and Company Secretary of the Company act as Secretary to the Committee.

## B. Terms of reference

Terms of reference of the Nomination and Remuneration Committee include:

- To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- To consider and fix the remuneration package of non executive and executive Directors including any compensation payment.
- All elements of remuneration package of Director such as benefits, bonus, stock options, pension etc.
- Any other works and policy related and incidental to the objectives of the committee as per provisions of the Act and rules made thereunder.

## C. Meetings and attendance during the year:

During the financial year 2014-15, the Nomination and Remuneration Committee met twice on 24th January, 2015 and 24th March, 2015 and all members of the Committee were present.

The composition of the Nomination and Remuneration Committee and number of meetings attended by the Members during the year are given below:

| Name                     | Category                           | Number of Meetings held | Number of meetings attended |
|--------------------------|------------------------------------|-------------------------|-----------------------------|
| Mr.Mahendra Kumar Doogar | Non Executive Independent Director | 1                       | 1                           |
| Mr.Radha Krishna Pandey  | Non Executive Independent Director | 1                       | 1                           |
| Mr.Ramesh Chand Surana   | Non Executive Independent Director | 1                       | 1                           |

## D. Remuneration policy

The Executive Directors of the Company are paid, as approved by the Board of Directors, on the recommendation of the Remuneration Committee. The remuneration was 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.

## E. Details of Remuneration to Directors

Remuneration / Sitting fee paid to the Directors of the Company for the financial year 2014-15.

i. Remuneration paid to the Executive directors.

| Name                    | Sitting Fees (Rs.) | Salary & Allowances (Rs.) | Service Contract | Severance fee |
|-------------------------|--------------------|---------------------------|------------------|---------------|
| Mr.Satish Kumar Agarwal | NIL                | 39,79,200                 | 3 yrs            | NIL           |
| Mr.Sunil Kumar Agarwal  | NIL                | 39,19,200                 | 3 yrs            | NIL           |
| Mr.Saurabh Agarwal      | NIL                | 36,79,200                 | 3 yrs            | NIL           |
| Mr.Sachin Agarwal       | NIL                | 36,79,200                 | 3 yrs            | NIL           |
| TOTAL                   |                    | 1,52,56,800               |                  |               |



ii. Sitting fees paid to the Non - Executive directors

| Name                     | Sitting Fees (Rs.) |
|--------------------------|--------------------|
| Mr.Mahendra Kumar Doogar | 115000             |
| Mr.Radha Krishna Pandey  | 130000             |
| Mr.Ramesh Chand Surana   | 60000              |
| Mrs.Nishal Jain          | 50000              |
| Mr.Pursottam Das Agarwal | 15000              |
| <b>Total</b>             | <b>370000</b>      |

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

### 3.3 Stakeholders Relationship Committee

#### A. Terms of reference

The Committee supervises the mechanism for redressal of investor grievances and ensures cordial investor relations, apart from looking into redressal of shareholders' and investors' complaints like transfer of shares, non-receipt of annual reports, non-receipt of dividend and allied matters and complaints received from the Stock Exchanges.

#### B. Composition, Members, its meetings and attendance

During the financial year 2014-15, the Committee met Four (4) times on 6th June, 2014, 31st July, 2014, 11th Nov, 2014 and 24th January, 2015.

The composition of the Stakeholders Relationship Committee and number of meetings attended by the Members during the year are given below:

| Name                     | Category                           | Number of meetings attended |
|--------------------------|------------------------------------|-----------------------------|
| Mr.Saurabh Agarwal       | Executive Director                 | 4                           |
| Mr.Mahendra Kumar Doogar | Non Executive Independent Director | 4                           |
| Mr.Ramesh Chand Surana   | Non Executive Independent Director | 1                           |

#### C. Complaints received and redressed during the year 2014-15

During the financial year ended 31st March, 2015, the Company had received 3 requests/ complaints related to the refund orders, revalidation of refund orders, non receipt of Annual Report etc. Request / complaints were disposed off to the satisfaction of shareholders/ investors.

Pursuant to clause 47(c) of the Listing Agreement, a certificate on half-yearly basis confirming due compliance of share transfer formalities by the Company from Practicing Company Secretary has been submitted to the Stock Exchanges within stipulated time.



#### D. Transfer of Unclaimed Dividend to IEPF

During the year under review, no amount has been due to be transferred to IEPF.

### 3.4 Corporate Social Responsibility (CSR) Committee

Pursuant to Section 135 of the Companies Act, 2013, CSR Committee was constituted on 29th May, 2014.

#### A. Composition of CSR Committee

The committee comprises of Mr.Satish Kumar Agarwal as Chairman, Mr.Sunil Kumar Agrawal, Member and Mr.Mahendra Kumar Doogar, Member

#### B. Terms of Reference

- To formulate and recommend to the Board, a CSR Policy and the activities to be undertaken by the Company as per Schedule VII of the Companies Act, 2013;
- To recommend amount of expenditure on CSR activities;
- To monitor CSR Policy of the company.

During the year, 1 CSR Committee meetings was held on 24th January, 2015 and it was attended by all the committee members.

### 4. General Body Meetings

Details of the last three Annual General Meetings of the shareholders of the Company are as follows:

| For the year ended | Location   | Date       | Time      | Details of Special Resolutions passed   |
|--------------------|--|------------|-----------|---|
| 31.03.2014         | Plot No. 841/1(2-8) & 847 (2-16), Behind Rajasthan Petrol Pump, Village Rajokari, Vasant Vihar, New Delhi-110038 | 29.09.2014 | 10.00 A.M | 1. Special Resolution for Borrowing of the company under Section 180(1)(c).<br>2. Special Resolution for Creation of Mortgage/ Charge on the property of the company under Section 180(1)(a). |
| 31.03.2013         | Plot No. 841/1(2-8) & 847 (2-16), Behind Rajasthan Petrol Pump, Village Rajokari, Vasant Vihar, New Delhi-110038 | 27.09.2013 | 10.00 A.M | NIL   |
| 31.03.2012         | Plot No. 841/1(2-8) & 847 (2-16), Behind Rajasthan Petrol Pump, Village Rajokari, Vasant Vihar, New Delhi-110038 | 27.09.2012 | 10.00 A.M | NIL   |

## 5. Disclosures

During the year ended 31st March, 2015, there had been no materially significant transaction entered by the Company with any party, which is considered to have potential conflict with the interest of the Company at large.

There were no material individual transactions with related parties during the year, which were not in the normal course of business as well as not on an arm's length basis.

There had not been any non-compliance, and no penalties or strictures imposed on the Company by the Stock Exchanges, SEBI or any statutory authority, on any matter relating to the capital markets during the period under review.

The Company has fully complied with the Mandatory Requirements of Clause 49 of the Listing Agreement, as presently applicable under review.

### A. Related Party Transaction

The Company has not entered into any materially significant transactions with the related parties viz. Promoters, Directors or the Management, their relatives that may have potential conflicts with the interest of the company at large. Transactions with related parties as per AS – 18 have been disclosed in the notes forming part of Standalone Financial Statements. In terms of clause 49 of listing agreement, the Company has formulated a policy on materiality on related party transaction and also on dealing with the related party transactions which is disclosed on the company's website [www.kamdhenuispat.com](http://www.kamdhenuispat.com)

### B. Accounting Treatment

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 133 of the Companies Act, 2013. The financial statements have been prepared on accrual basis. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

### C. Proceeds from public issues, right issues, preferential issues etc.

The Company did not have any of the above issues during the year under review.

### D. Secretarial Audit Report

The Annual Secretarial Audit Report from the Company Secretary in practice for compliance with Section 204(1) of the Companies Act, 2013, Listing Agreement, SEBI Regulations on Takeover, Insider Trading and Depositories & Participants is annexed as part of the Annual Report.

### E. Management Discussion and Analysis Report

The Management Discussion and Analysis Report have been included separately in the Annual Report to the Shareholders.

### F. Shareholders

- i. The quarterly results and Shareholding Patterns have been put on the Company's website [www.kamdhenuispat.com](http://www.kamdhenuispat.com) under the investor zone Section.
- ii. The Company will send Annual Report through email to those Shareholders who have registered their email ids with Depository Participant and physical Annual Report will be sent by post to other shareholders .
- iii. Mr.Sachin Agarwal is retiring by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

## 6. CEO and CFO Certification

The Chairman & Managing Director and CFO of the Company have given quarterly/annual certification on financial reporting and internal controls to the Board in terms of Clause 41 and 49 II((E)(2) of the Listing Agreement.

## 7. Compliance on Corporate Governance

The quarterly compliance report has been submitted to the Stock Exchanges where the Company's equity shares are listed in the requisite format duly signed by the Compliance Officer. Pursuant to Clause 49 of the Listing Agreement, Certificate from Practicing Company Secretary on in compliance of conditions of Corporate Governance forms part of the Annual Report.

## 8. Means of Communication

The quarterly/yearly un-audited/audited results are published in prominent daily newspapers, viz. Financial Express and Indian Express in English and in Jansatta in Hindi and are also posted on the Company's website [www.kamdhenuispat.com](http://www.kamdhenuispat.com). The quarterly / yearly un-audited / audited results and other pertinent communiqués pursuant to the requirements of the Listing Agreement are sent by E-mail as well as by courier, to the Bombay Stock Exchange and National Stock Exchange, where shares of the Company are listed.

## 9. General Shareholder Information

### a) 21st Annual General Meeting

Date and Time : 29th September, 2015 at 10.00 A.M  
 Venue : Khasra No. 841/1 (2-8) & 847 (2-16), Behind Rajasthan Petrol Pump, Village Rajokari, Vasant Vihar, New Delhi- 110039.

Financial Calendar 2015-16:

| Event   | On or before |
|---|--------------|
| Financial Results for the 1st Quarter ended 30th June, 2015             | 14.08.2015   |
| Financial Results for the 2nd Quarter ended 30th September, 2015        | 14.11.2015   |
| Financial Results for the 3rd Quarter ended 31st December, 2015         | 14.02.2016   |
| Audited Financial Results for the financial year ended 31st March, 2016 | 30.05.2016   |

### b) Dividend

Board of directors of the Company in their meeting held on 19th May, 2015 has recommended a dividend of Re.0.70 per equity share of face value of Rs. 10 each subject to approval of the same in the ensuing Annual General Meeting to be held on 29th September, 2015.

c) **Book Closure Period** : from 23rd September to 29th September, 2015 (both days inclusive)

### d) Listing on Stock Exchanges

The shares of the Company are listed on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited. The annual listing fees for the financial year 2015-16 have been paid to these Stock Exchanges.

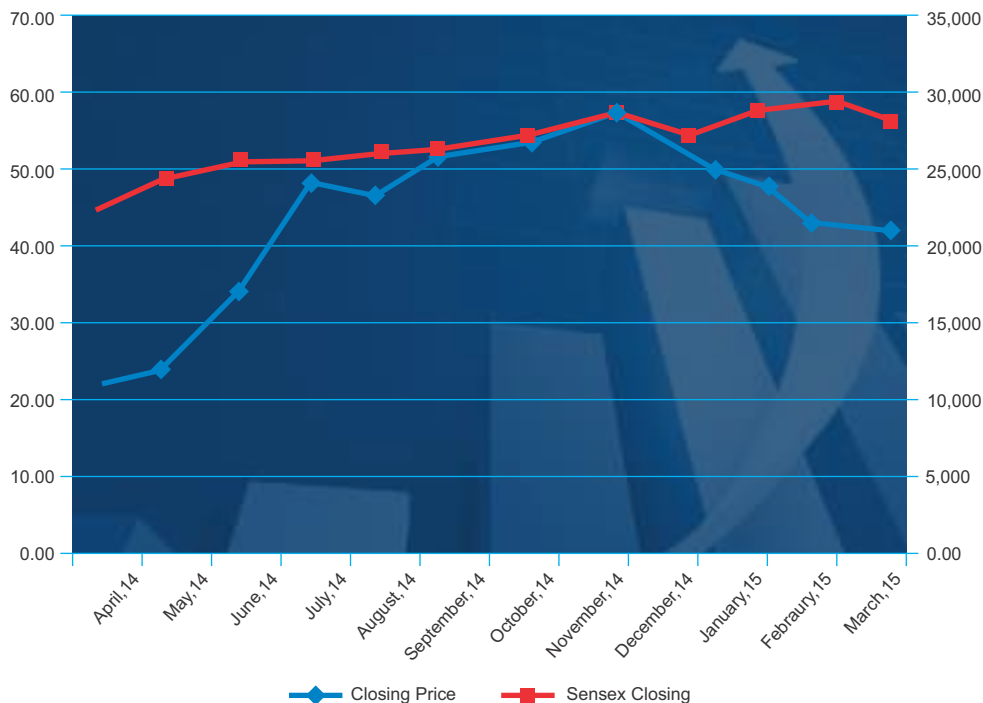
**e) Stock Code**

Bombay Stock Exchange Limited : 532741  
 National Stock Exchange of India Limited : KIL

**f) Stock Market Price data**

The monthly high and low quotations of shares traded on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited, during the period under review are as follows:

| Month         | BSE        |           |         |             | NSE        |           |         |             |
|---------------|------------|-----------|---------|-------------|------------|-----------|---------|-------------|
|               | High (Rs.) | Low (Rs.) | Closing | Volume (No) | High (Rs.) | Low (Rs.) | Closing | Volume (No) |
| April, 14     | 26.85      | 17.20     | 23.35   | 37597       | 24.35      | 20.55     | 22.40   | 190975      |
| May, 14       | 27.45      | 20.10     | 24.65   | 242799      | 26.45      | 19.65     | 24.80   | 498844      |
| June, 14      | 36.00      | 24.50     | 34.60   | 440116      | 35.90      | 24.90     | 34.55   | 959290      |
| July, 14      | 59.50      | 33.80     | 48.20   | 2108270     | 59.50      | 34.00     | 48.45   | 4951206     |
| August, 14    | 56.80      | 45.15     | 45.65   | 226639      | 54.70      | 45.25     | 45.60   | 741129      |
| September, 14 | 60.60      | 46.25     | 52.20   | 776367      | 61.55      | 45.60     | 52.25   | 3190252     |
| October, 14   | 57.00      | 49.90     | 53.75   | 101213      | 57.80      | 50.10     | 54.20   | 513009      |
| November, 14  | 63.90      | 52.30     | 57.60   | 483291      | 63.50      | 51.70     | 57.60   | 2201745     |
| December, 14  | 59.95      | 47.15     | 50.15   | 172870      | 58.20      | 47.60     | 49.95   | 480520      |
| January, 15   | 54.40      | 42.25     | 46.70   | 97665       | 51.00      | 42.05     | 46.75   | 436884      |
| February, 15  | 48.30      | 42.10     | 42.30   | 85346       | 48.35      | 42.00     | 42.80   | 218303      |
| March, 15     | 47.00      | 38.60     | 41.90   | 580533      | 47.30      | 38.05     | 41.35   | 474884      |



[Source: www.bseindia.com, www.nseindia.com]  
 (Based on month ended closing price of Company on BSE and month ended BSE Sensex)

**g) Registrar and Share Transfer Agents**

M/s Karvy Computershare (P) Limited is the Registrar and Share Transfer Agent of the Company in respect of shares held in physical and de-mat form. The Members are requested to correspond to the Company's Registrars & Share Transfer Agent - M/s Karvy Computershare (P) Limited quoting their Folio Number, Client ID and DP ID at the following address:

M/s Karvy Computershare (P) Limited

17-24, Vittal Rao Nagar, Madhapur, Hyderabad-500081, Andhra Pradesh, India

Tel: 91-40-23420815-20 Fax: 91-40-23420814

E-mail: mailmanager@karvy.com www.karvyacomputershare.com

**h) Compliance Officer Details**

Mr. Jogeswar Mohanty (Company Secretary & Compliance Officer)

**Corporate Office:**

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

DLF Cyber City, Phase-III,

Gurgaon - 122 002 (Haryana),

Telephone: 0124-4604500 (30 Lines)

Fax: 0124-4218524

Email: kamdhenu@kamdhenuispat.com

Website: www.kamdhenuispat.com

**Registered Office:**

L-311, Khasra No. 724, Street No. 7,

Mahipalpur Extension,

New Delhi-110037

Telephone: 011 - 65493417

Fax: 011 - 26784596

Email: investorcompliances@kamdhenuispat.com

**i) Share Transfer System**

The Company has a Share Transfer Committee, a sub-committee of Stakeholders Relationship Committee to look into various issues relating to the investors including share transfers/transmissions, duplicate share certificates, splitting, consolidation of share certificates, dematerialization of shares etc. This Share Transfer Committee of the Board of Directors of the Company meets as and when requests received from the RTA to give effect to the share transfers/transmissions, duplicate share certificates, splitting, consolidation of share certificates, dematerialization of shares.

M/s Karvy Computershare (P) Limited (RTA) process the share transfers / transmission, splitting, consolidation of share certificates in physical form and the same are approved by the Share Transfer Committee. Transfer of shares in physical form are registered and dispatched within 1 month of their receipt, subject to documents being valid and complete in all respects. The Board is regularly updated on the matters transacted at the Share Transfer Committee meetings.

**j) Distribution of Shareholding as at 31st March, 2015**

| Category (Shares) | No. of Cases | Percentage to cases | No of Shares | Percentage to Shares |
|-------------------|--------------|---------------------|--------------|----------------------|
| 1 – 5000          | 9134         | 98.36%              | 2965311      | 12.67%               |
| 5001 - 10000      | 59           | 0.64%               | 462506       | 1.98%                |
| 10001 - 20000     | 35           | 0.38%               | 509642       | 2.18%                |
| 20001 - 30000     | 4            | 0.04%               | 84996        | 0.36%                |
| 30001 - 40000     | 6            | 0.06%               | 205060       | 0.88%                |
| 40001 - 50000     | 8            | 0.09%               | 357980       | 1.53%                |
| 50001 - 100000    | 9            | 0.10%               | 626444       | 2.68%                |
| 100000 and Above  | 31           | 0.33%               | 18188061     | 77.73%               |
| Total             | 9286         | 100%                | 23400000     | 100%                 |

**k) Shareholding Pattern as at 31st March, 2015**

| Category                             | No of Shares    | % of Paid up Capital |
|--------------------------------------|-----------------|----------------------|
| Kamdhenu Overseas Limited            | 2999873         | 12.82                |
| Kamdhenu Paint Industries Limited    | 1501701         | 6.42                 |
| Kamdhenu Concast Limited             | 1413510         | 6.04                 |
| Kamdhenu Infradevelopers Limited     | 600000          | 2.56                 |
| Kamdhenu Nutrients Pvt. Limited      | 600000          | 2.56                 |
| Kay2 Steel Limited                   | 588934          | 2.52                 |
| Satish Kumar Agarwal                 | 1281842         | 5.48                 |
| Satish Kumar Agarwal (HUF)           | 365900          | 1.56                 |
| Radha Agarwal                        | 541877          | 2.32                 |
| Saurabh Agarwal                      | 576500          | 2.46                 |
| Priyanka Agarwal                     | 244129          | 1.04                 |
| Sachin Agarwal                       | 673719          | 2.88                 |
| Shivani Agarwal                      | 255235          | 1.09                 |
| Sunil Kumar Agarwal                  | 1295292         | 5.54                 |
| Sunil Kumar (HUF)                    | 300280          | 1.28                 |
| Sarita Agarwal                       | 1354450         | 5.79                 |
| Shatul Agarwal                       | 337700          | 1.44                 |
| Somya Agarwal                        | 144660          | 0.62                 |
| Ishita Agarwal                       | 210716          | 0.90                 |
| Shafali Agrawal                      | 763842          | 3.26                 |
| Ayush Agarwal (HUF)                  | 50000           | 0.21                 |
| Ayush Agarwal                        | 90600           | 0.39                 |
| <b>TOTAL PROMOTERS SHAREHOLDINGS</b> | <b>16190760</b> | <b>69.19</b>         |



| Category                     | No of Shares    | % of Paid up Capital |
|------------------------------|-----------------|----------------------|
| Mutual Funds                 | 0               | 0                    |
| Banks/Financial Institutions | 700             | 0                    |
| FII's                        | 0               | 0                    |
| Private Corporate Bodies     | 1074609         | 4.59                 |
| Indian Public                | 6078845         | 25.98                |
| NRI's                        | 45987           | 0.20                 |
| Clearing members             | 9099            | 0.04                 |
| <b>Total</b>                 | <b>23400000</b> | <b>100</b>           |

**l) De-materialization of Shares & liquidity**

Equity shares of your company are in compulsory de-mat settlement mode and can be traded only in de-mat form. Except 7208 (0.03%) 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 **INE 390H01012**

**m) Plant locations**

**Steel Division**

A-1114, RIICO Industrial Area, Phase-III, Bhiwadi (Rajasthan), Phone: 01493-520401-430

Fax:01493-520428

**Paint Division**

E-538-539A, Industrial Area, Chopanki, Distt. Alwar (Rajasthan), Phone: 01493-306801-820

Fax: 01493-306810

**n) Outstanding GDRs/ADRs/Warrants/Options/FCCBs**

There is no outstanding security as on 31st March, 2015.

**o) Address for Correspondence**

Kamdhenu Ispat Limited, 2nd Floor, Tower A, Building No. 9, DLF Cyber City, Phase-III, Gurgaon-122002 (Haryana)  
Phone:0124-4604500 (30 Lines) Fax: 0124-4218524, Email: kamdhenu@kamdhenuispat.com

**p) Unclaimed / Unpaid Dividend**

Members, who have not received / encashed their dividend for the financial year 2011-12 may approach the R & T Agent and or the Company for payment of such unpaid dividend.



**q) Nomination facility**

In terms of section 72 of the Companies Act, 2013, shareholders holding shares in demat and physical form may in their own interest register their nomination with the DP and R&T Agent, respectively.

**10. Code of Conduct**

As per the requirement of the Listing Agreement, Company has formulated 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 Board members and senior management personnel have affirmed compliance with the Code of Conduct.

**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 said Code of Conduct.

BY ORDER OF THE BOARD OF DIRECTORS  
KAMDHENU ISPAT LIMITED

Dated : 11.08.2015  
Place : Gurgaon

**(Satish Kumar Agarwal)**  
Chairman & Managing Director  
DIN - 00005981

**(Sunil Kumar Agarwal)**  
Whole Time Director  
DIN - 00005973

# Management Discussion And Analysis

## A. INDUSTRY STRUCTURE AND DEVELOPMENTS

In 2014, the world crude steel production reached 1661.5 million tonnes (mt) and showed a growth of 1.2% over 2013. (Source: World Steel Association or WSA). China remained the world's largest crude steel producer in 2014 (823 mt) followed by Japan (110.7 mt), the USA (88.3 mt) and India (83.2 mt) at the 4th position. In 2015 structural reforms and improving confidence will support a further 6% growth in Indian steel demand but elevated inflation and fiscal consolidation remain key downside risks to the outlook. Accordingly the steel consumption is expected to grow consistently in 2015-16 in line with industrial growth in housing, infrastructure, automobile, power etc which will open new opportunities for secondary steel producers in India.

### Domestic Scenario

The Indian steel industry has entered into a new development stage from 2007-08, riding high on the resurgent economy and rising demand for steel. Rapid rise in production has resulted in India becoming the 4th largest producer of crude steel and the largest producer of sponge iron or DRI in the world. As per the report of the Working Group on Steel for the 12th Five Year Plan, there exist many factors which carry the potential of raising the per capita steel consumption in the country. These include among others, an estimated infrastructure investment of nearly a trillion dollars, a projected growth of manufacturing from current 8% to 11-12%, increase in urban population to 600 million by 2030 from the current level of 400 million, emergence of the rural market for steel. At the time of its release, the National Steel Policy 2005 had envisaged steel production to reach 110 million tonnes (mt) by 2019-20. However, based on the assessment of the current ongoing projects, both in greenfield and brownfield, the Working Group on Steel for the 12th Five Year Plan has projected that domestic crude steel capacity in the county is likely to be 140 mt by 2016-17 and has the potential to reach 149 mt if all requirements are adequately met. The National Steel Policy 2005 is currently being reviewed keeping in mind the rapid developments in the domestic steel industry (both on the supply and demand sides) as well as the stable growth of the Indian economy since the release of the Policy in 2005.

The liberalization of industrial policy and other initiatives taken by the Government have given a definite impetus for entry, participation and growth of the private sector in the steel industry. While the existing units are being modernized/expanded, a large number of new steel plants have also come up in different parts of the country based on modern, cost effective, state-of-the-art technologies. In the last few years, the rapid and stable growth of the demand side has also prompted domestic entrepreneurs to set up fresh greenfield projects in different states of the country. Crude steel capacity was 101 mt in 2013-14 and India, the 4th largest producer of crude steel in the world, has to its credit, the capability to produce a variety of grades and that too, of international quality standards. The country is expected to become the 2nd largest producer of crude steel in the world soon, provided all requirements for creation of fresh capacity are adequately met.

## B. FINANCIAL AND OPERATIONAL REVIEW

The Company showed remarkable performance for the year under review by posting a net profit of Rs.802.66 Lacs as compared to Rs.595.50 Lacs in the previous financial year, an increase of 34.79%. During the year under review, the total turnover of the Company reached Rs.1,01,108 Lacs as compared to Rs.96,548 Lacs in previous year, an increase of 4.72% as compared to the previous year.

The yearly sale under steel division has been increased by 6.74% as compared to the previous year as the total sales have been increased to Rs.84,607 Lacs from Rs.79,267 Lacs.

Due to the competition from the big players in the market, the turnover of Paint division of the Company decreased by 4.55% and touched to Rs.16,413 Lacs from Rs.17,195 Lacs. The company has been constantly involved in establishing the extensive marketing network, competent team building, revival of low performing depots, brand promotion, lucrative discount and rebate schemes to establish product in the market. The Paint division is at present operating from 32 sales depots across the country.

The Power division of the Company has generated a revenue of Rs.87 Lacs during the financial year under review as against to Rs.85 Lacs last year resulting increase by 2.35%.

Overall Gross block as at 31st March, 2015 has increased to Rs.7406 Lacs as compared to Rs.7168 Lacs as at 31st March, 2014.

The tax expenses of the Company for current year is Rs.387 Lacs as compared to Rs.327 Lacs in the previous year which comprises current year tax, deferred tax and earlier year tax.

The earning per share for the year is Rs.3.43 as against Rs.2.54 in the previous year.

### C. FOCUS AREAS OF THE COMPANY

Kamdhenu's market strategy is to provide one stop construction solution by offering diverse range of products and service offerings, and continue expanding geographic presence throughout India. Company is commanding a superior brand value having steel and paints products of international quality at competitive prices. The Company aim to be the no one manufacturer of premium TMT bar in India which presently is among the largest manufacturer of TMT Bar in India and rapidly growing in decorative paints sector.

#### **Business Segments of the Company:**

The Company generates its revenue from 3 segments:

- Steel
- Paints
- Power

#### **STEEL DIVISION:**

The present standing of Kamdhenu Ispat Limited is the result of continuous hard work and commitment spanning two decades dedicated to the achievement of its organizational objective. The upper edge of Kamdhenu products lies in the facts that we always give emphasis on quality and innovation.

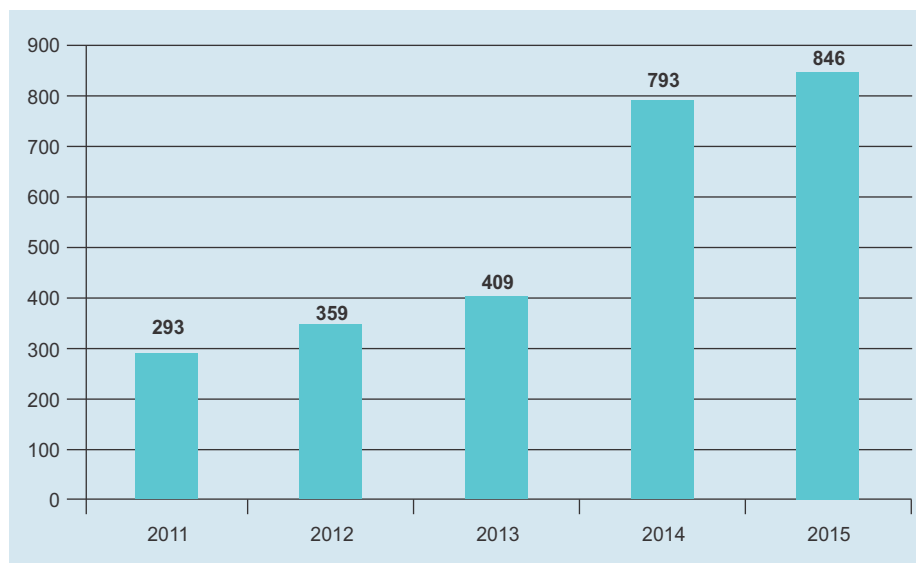
Besides its existing range of KAMDHENU TMT bar products, Company has established a premium brand product KAMDHENU SS10000 TMT bar which is the only product in its class featuring double ribs, double strength and double safety. Its gives 254% more strength to the bonding of concrete and steel and it also has the capacity to create performance of concrete upto 10,000 Psi with right mixture of concrete. The product has been specifically developed keeping in view the stringent requirements of construction sector, highways and other premium infrastructure projects. KAMDHENU SS 10000 is indispensable for high rise buildings and all kind of constructions in high seismic earthquake zones. Because of its unique features and properties, Kamdhenu SS 10000 is a notch above than any other product in its class. The product KAMDHENU

SS 10000 TMT bar has been developed by the Company with technical know-how from U.K. The product has already established in northern India market and extending to rest of the country. The Company today commands an unparalleled and farthest reach in the pan India through its more than 3500 strong dealer and distributor network.

Company has established its unique Franchisee Business Model which has proven itself, over a period of time, in sustaining and performing in the market. The Franchisee Business Model has not only made possible the presence of quality products across India but also succeed in organizing the unstructured sector of the market to the satisfaction of customers and its business associates.

The performance of steel division of the company over the years can be seen from following presentation.

**Revenue in Crores From Steel Division**



Steel division of the Company is performing consistently over the years.

## **PAINTS DIVISION:**

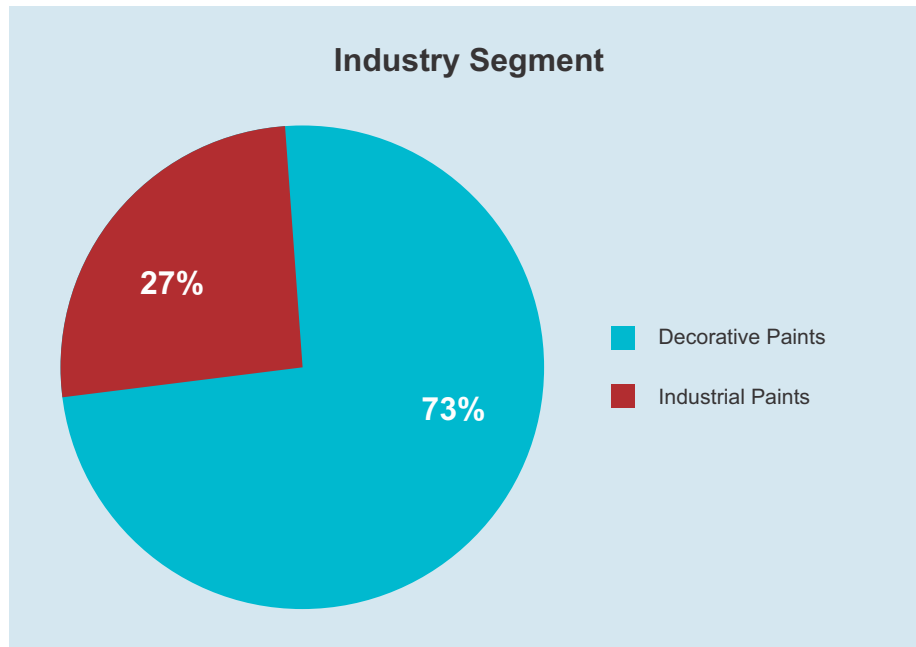
### **Industry Structure**

The Indian paint industry has seen a gradual shift in the preferences of people from the traditional white wash to higher quality paints like emulsions and enamel paints. Growing popularity of new variants providing improved finishing & textures, increasing per capita income of people and efforts on the part of manufacturers to introduce improved versions like eco friendly, order free and dust & water resistant paints, have propelled the growth of the paint market in India. The major boost to the growth in the Indian paint market has been provided by the decorative paint segment, which is anticipated to grow at a CAGR of more than 16 percent during the period 2013-14 to 2015-16. Under the decorative segment, the emulsion paint market has witnessed a massive demand over the past few years and is expected to drive the market in the coming years too.

### **Segment Analysis**

The paint industry is divided into decorative and industrial segments. Decorative paints enjoy a market share of 73 percent and industrial paints have the balance of 27 percent. Decorative paints can be further classified into higher end acrylic exterior and interior emulsions, medium range exterior and interior emulsions and enamel paints, low end distempers, wall putty, primers and thinners and wood coatings. They can also be broadly categorised into water and solvent based paints. Water based paints have an edge and are growing at a higher rate because most paintable surfaces in architectural constructions use water based coatings. It also has the added advantage of being more environmentally friendly.





#### Outlook

The Indian paint industry has seen a gradual shift in the preferences of people from the traditional whitewash to higher quality paints like emulsions and enamel paints. The rural market grew 20 percent in 2013-14. Rural India's incremental consumption expenditure is growing well. And, the rural sector has a major share of the decorative paints segment. Thus, any benefit to the rural sector's disposable income is directly correlated to the paint industry's growth. Besides, decorative paints are marketing well, backed by large advertisement campaigns and dealership networks.

Indian paint industry is likely to see a 20 percent compounded annual growth rate until 2016 on the back of increasing demand from retail consumers, on rapid urbanisation, and development of rural markets. A rise in disposable income of the average middle class coupled with increasing investment on education, urbanisation, development of the rural market and various launches of many innovative products will also be major drivers.

#### Kamdhenu Paints

Kamdhenu Paints, a division of Kamdhenu Ispat Limited established a production unit in Chopanki, Rajasthan, with a state of art technology and also with modern research and development facilities. The Company manufactures and markets Kamdhenu Paints-Colour Dreamz, Dil Ke Rang Deewaron Pe. The division has grown in the past and already placed itself in the top 6 brands of the country in the decorative segment. The company's USP has been the qualitative product at best prices, which hit the established players in the organized paint sector. The Company has its presence across the country through 32 depots and a strong marketing network of around 4000 dealers.

Kamdhenu Paints offers a whole gamut of decorative paint products that includes Exterior & Interior Emulsions, Water based Primers, Wood Finishes, Aluminum Paints, and Textured & Designer Finishes. Keeping in mind the growing environment concerns, the company has introduced complete collection of Lead-free, Low VOC, environment-friendly products, which are getting enthusiastic market response.

The induction of Tinting Machines has made the Kamdhenu brand a household name. Around 750 numbers of Computerized Tinting Machine is catering to the demand of vast spectrum of colours across India. The Tinting Machine is used to make wide range of the shades by mixing colourant from Computerized Tinting Machine with paint base, as per the requirement/choice of the customer.

The Company has started manufacturing of Stainer which is used to create shades of colour by adding few drops of Stainer into white base, thus providing innumerable choices at the disposal of consumers.

The Company has also launched a series of new range of paints with main focus on Eco Fresh line which are water based luxury interior emulsion as per the market demand. These Eco Line range boast of low emission of VOC (Volatile organic Compound) which is hazardous to health.

#### **D. INTERNAL CONTROL SYSTEM**

Legal Business, ethical Business has always been a core component of our principles. To ensure the adequacy and efficiency of the various operations, Kamdhenu Ispat Limited has a comprehensive internal control system equipped with qualified and experienced personnel in various departments including Finance, Accounts, Administration, Technical and Corporate affairs.

The entire mechanism is constructed and operated under the vision and guidance of Audit Committee and Board of Directors making the entire process an independent, objective and reasonable mechanism bringing the adequacy and effectiveness of the organization's risk management, control and governance processes.

The Internal Control Systems ensures smooth corporate functioning and quality management within the company. Each and every transaction are duly authorized, recorded and reported. Other than that the company has also put in place well defined delegation of power with authority limits for approving revenue as well as capital expenditure. Processes for creating and reviewing the annual and long-term business plans have been laid down. The Internal audit is carried out based on internal audit plan, which is reviewed each year in consultation with the Statutory Auditors and the Audit Committee. The Internal Audit process is designed to review the internal control checks in the system and covers all significant areas of the Company's operations such as Sales, Purchases, Inventory, Debtors, Creditors, Fixed Assets and legal compliances.

There are no materially significant financial and commercial transactions with the related parties conflicting with the interest of the Company during the financial year under review.

#### **E. THREATS, RISKS AND CONCERNS**

Steel industry is highly fragmented and competitive and increased competitive pressure may adversely affect the financial results. Significant increase in prices or shortage of raw material could affect the results of operations and financial conditions of the company. Any disruption in supply chain management may adversely affect the operations of the company. Any variation in the demand of derived industries may adversely affect the demand of the products.

Most of the raw materials i.e. M.S. Ingot/Billets and M.S. Scrap are being procured from local producers which involve logistic issues, economic decision making into ensuring optimum inventory. Rising prices of raw materials, inadequate availability of good quality of coal are other obstacles.

As Steel industry is capital and labour intensive, it involves high power and fuel consumption, so any change in the cost of capital, labour, fuel and power may adversely affect the performance of the Company. Any sub-standard manufacturing with the mala-fide intentions by any franchisee unit may affect the goodwill of the brand.

Any disruption/discontinuance of production by any of the franchisee unit may affect the royalty income and supply of products in that region.

In the Paint industry there may be a shortage of petroleum product in near future. Now there is a shifting of the use of paint towards water base and that is also good for the health of mankind ultimately all have to go towards the low VOC (Volatile Organic Compound) content paint where the cost of the component is higher. People of developed country can afford the price, but in our country cost of the paint is a major factor.

In the Power division Power generation from Wind mills may be affected by the flow of wind and other technical factors & natural calamities.

Any change in the tax regime, financial policies and environmental regulations by Central as well as State Government, political instability at the Central or State level may affect the financial position of the company.

#### **F. HUMAN RESOURCES / INDUSTRIAL RELATIONS**

Your Company maintained the momentum during the year implementing Human Resource practices for effective staffing, retention, training and staff development facilitating delivery excellence for our customers. Kamdhenu's people centric focus providing an open work environment fostering continuous improvement and development helped several employees realize their career aspirations during the year. Kamdhenu has continually adopted structures that help attract best external talent and promote internal talent to higher roles and responsibilities.

Kamdhenu Ispat Limited recognizes people as the primary source of its competitiveness and continues to focus on people development by leveraging technology and developing a continuously learning human resource base to unleash their potential and fulfill their aspirations therefore the industrial relations climate in Kamdhenu Ispat Limited remained harmonious and peaceful during the year. The Company has been taking initiatives for harnessing the inherent strengths of its employees and for continuous improvement in work culture and operating & maintenance practices. Presently your company employs 608 employees.

#### **G. CAUTIONARY STATEMENT**

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 our expectations are based on reasonable assumptions, these forward looking statements may be influenced by numerous risks and uncertainties that could cause actual outcomes and results to be materially different from those expressed or implied. 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 assumes no responsibility in respect of the forward looking statements herein which may undergo changes in future on the basis of subsequent development, information or events and holds no obligation to update these in the future.

BY ORDER OF THE BOARD OF DIRECTORS  
KAMDHENU ISPAT LIMITED

Dated : 11.08.2015  
Place : Gurgaon

**(Satish Kumar Agarwal)**  
Chairman & Managing Director  
DIN - 00005981

**(Sunil Kumar Agarwal)**  
Whole Time Director  
DIN - 00005973



# COMPLIANCE CERTIFICATE ON CONDITIONS OF CORPORATE GOVERNANCE

Kamdhenu Ispat Limited,  
L-311, Khasra No.724,  
Mahipalpur Extention, Street No.7,  
New Delhi-110037

We have examined all relevant records of Kamdhenu Ispat Limited (the Company) for the purpose of certifying of the conditions of the Corporate Governance under Clause 49 of the Listing Agreement with Stock Exchanges for the financial year ended 31st March 2015. 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 Clause 49 of the Listing Agreement.

For Chandrasekaran Associates  
Company Secretaries

Date:11.08.2015  
Place: New Delhi

Dr. S.Chandrasekaran  
Senior Partner  
(Membership No. FCS 1644, CP 715)

# SECRETARIAL AUDIT REPORT

## FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015

The Members,  
Kamdhenu Ispat Limited,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Kamdhenu Ispat 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 March 31, 2015 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 March 31, 2015 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 55A;
- (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, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Share Based employee Benefits) Regulations, 2014; Not Applicable
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not Applicable



- (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; Not Applicable
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not Applicable
- (vi) As Confirmed and certified by the management, there is no sectoral law specifically applicable to the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. Not applicable for financial year 2014-15
- (ii) The Listing Agreements entered into by the Company with Delhi Stock Exchange Limited, BSE Limited.

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

#### **We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes 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 in advance, 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 the company has no specific events / actions that having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For Chandrasekaran Associates  
Company Secretaries

Date: 11.08.2015  
Place: New Delhi

Dr. S.Chandrasekaran  
Senior Partner  
(Membership No. FCS 1644, CP 715)

Note: 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.

## Annexure-A

The Members,  
Kamdhenu Ispat Limited,  
L-311, Khasra No.724,  
Mahipalpur Extention, Street No.7,  
New Delhi-110037

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 the 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

Date:11.08.2015  
Place: New Delhi

Dr. S.Chandrasekaran  
Senior Partner  
(Membership No. FCS 1644, CP 715)

# Independent Auditors' Report

To the Members of  
**Kamdhenu Ispat Limited**

## Report on the Financial Statements

We have audited the accompanying financial statements of Kamdhenu Ispat Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

## Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material mis-statement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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.

## Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2015, and its profit and its cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards 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 March 31, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
  - f. 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, 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 financial statements – Refer Note 28 to the financial statements;
    - II. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - III. There has been no such amounts, required to be transferred during the year, to the Investor Education and Protection Fund by the Company.

**For S.Singhal & Co.**  
Chartered Accountants  
(Registration No. 001526C)

Dated: 19.05.2015  
Place: Gurgaon

(R.K.Gupta)  
PARTNER  
M.No.073846

## Annexure to Independent Auditors' Report

We give hereinafter a statement on the matters specified in paragraphs 3 and 4 of Companies (Auditor's Report) Order, 2015, referred to in paragraph 1 under the heading of "Report on other Legal and Regulatory Requirements" of our report of even date:

1. a. The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.  
b. According to the information & explanation given to us, the fixed assets has been physically verified by the management during the year in a phased periodical manner, which in our opinion, is reasonable having regard to the size of the company and the nature of the assets. No material discrepancies were noticed on such verification.
2. a. As explained to us, inventories have been physically verified by the management at reasonable intervals during the year.  
b. In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.  
c. In our opinion and according to information & explanation given to us, The Company has maintained proper records of inventories. As explained to us, there was no material discrepancies noticed on physical verification of inventory as compared to the book records.
3. In our opinion and according to the information and explanation and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
5. In our opinion and according to the information & explanation given to us, the company has not accepted deposits from public within the meaning of provision of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Rules framed there under. Hence the provision of clause (V) of paragraph 3 of Companies (Auditor's Report) Order, 2015 is not applicable to the company.
6. In our opinion and according to the information and explanations given to us, the cost records have been maintained by the company pursuant to the Companies (Cost Records and Audit) Rule, 2014 prescribed the central government under section 148 (1) of the Companies Act 2013 and are of the opinion that, prima facie, the prescribed cost records have been made and maintained, however, we have not made a detailed examination of such cost records.
7. a. According to the records of the Company and information & explanation given to us by the management, undisputed statutory dues including Provident Fund, Employee State Insurance, Income Tax, Sales tax, Wealth-tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues have been generally regularly deposited with the appropriate authorities except for delays in some cases. According to the information and explanation given to us, no undisputed amount payable in respect of the aforesaid dues were outstanding as at 31st March, 2015 for a period of more than six months from the date of becoming payable.

- b. The disputed statutory dues aggregating to Rs.1448.41 Lacs (Gross demand of Rs.1956.59 Lacs less deposited their against of Rs.508.18 Lacs) have not been deposited on account of disputed matters pending before appropriate authorities as per details given below:

| Name of the Statute                                       | Nature of the Dues  | Period to which the amount relates   | Amount (Rs. in Lacs) | Forum where Dispute is pending  |
|---|---------------------|--|----------------------|---|
| Income Tax Act  | Income Tax Matters  | A.Y.2001-02, 2004-05, 2005-06, 2011-12,2012-13   | 18.27                | C I T ( Appeals), Alwar   |
| Central Excise Act & Finance Act                          | Central Excise Duty | F.Y. 1999-2000, 2003-04,2004-05 2005-06 ,2006-07 2007-08, 2008-09, 2009-10,2010-11 2011-12 | 1530.00              | CESTAT, High Court of Rajasthan, Adl. Commissioner Central Excise, Joint Commissioner of Central Excise |
|   | Service tax         | F.Y. 2003-04, 2004-05, 2008-09   | 132.32               | CESTAT, High Court of Rajasthan, Asst. Comm. Of Service Tax   |
| Central Sales Tax Act and Sales Tax Act of various States | Sales Tax           | F.Y. 2006-07, 2007-08, 2008-09, 2010-11,2011-12  | 275.99               | Dy. Comm.(Appeal), Rajasthan Tax Board, Joint Commissioner (Appeal)                                     |

- c. According to the information and explanation given to us, there is no such amount transferred during the year to investor education and protection fund in accordance with the relevant provisions of Companies Act, 1956 and rules made there under.
8. The Company does not have accumulated Losses at the end of the financial year. The Company has not incurred any cash losses during the financial year covered by our audit or in the immediately preceding financial year.
9. Based on our audit procedure and according to the information and explanations given to us, we are of the opinion that the company has not defaulted in repayment of dues to financial institution or banks. The company has not issued any debenture.
10. According to the information and explanation given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
11. According to the information and explanation given to us, and record examined by us the term loans taken during the year have been applied for the purpose for which they were obtained.
12. In our Opinion and according to the information and explanation given to us, no fraud on or by the company has been noticed and reported during the year.

**For S.Singhal & Co.**

Chartered Accountants  
(Registration No. 001526C)

Dated: 19.05.2015

Place: Gurgaon

(R.K.Gupta)

PARTNER

M.No.073846



## BALANCE SHEET AS AT 31ST MARCH, 2015

(Amount in ₹)

|  | NOTE No. | As at<br>31st March,2015 | As at<br>31st March,2014 |
|--|----------|--------------------------|--------------------------|
| <b>I. EQUITY AND LIABILITIES</b>       |          |                          |                          |
| <b>(1) Shareholders' Funds</b>         |          |                          |                          |
| (a) Share Capital                      | 1        | 234,000,000              | 234,000,000              |
| (b) Reserves & Surplus                 | 2        | 761,070,143              | 705,864,546              |
|  |          | <b>995,070,143</b>       | <b>939,864,546</b>       |
| <b>(2) Non-Current Liabilities</b>     |          |                          |                          |
| (a) Long Term Borrowings               | 3        | 18,353,227               | 13,076,294               |
| (b) Deferred Tax liabilities (Net)     | 4        | 44,011,150               | 50,234,239               |
| (c) Other Long Term liabilities        | 5        | 123,575,514              | 139,067,802              |
| (d) Long Term Provisions               | 6        | 14,159,957               | 11,031,203               |
|  |          | <b>200,099,848</b>       | <b>213,409,538</b>       |
| <b>(3) Current Liabilities</b>         |          |                          |                          |
| (a) Short Term Borrowings              | 7        | 954,539,675              | 838,364,696              |
| (b) Trade Payables                     | 8        | 571,773,902              | 597,891,960              |
| (c) Other Current liabilities          | 9        | 91,146,387               | 92,590,520               |
| (d) Short Term Provisions              | 10       | 21,307,396               | 5,649,381                |
|  |          | <b>1,638,767,359</b>     | <b>1,534,496,556</b>     |
| <b>TOTAL</b>                           |          | <b>2,833,937,350</b>     | <b>2,687,770,640</b>     |
| <b>II. ASSETS</b>                      |          |                          |                          |
| <b>(1) Non-Current Assets</b>          |          |                          |                          |
| (a) Fixed Assets                       | 11       |                          |                          |
| (i) Tangible Assets                    |          | 476,452,301              | 493,142,373              |
| (ii) Tangible Capital Work-in-progress |          | 664,625                  | 3,303,607                |
|  |          | <b>477,116,926</b>       | <b>496,445,980</b>       |
| (b) Non-Current Investments            | 12       | 34,227,690               | 41,692,200               |
| (c) Long Term Loans & Advances         | 13       | 53,995,911               | 72,420,728               |
| (d) Other non-current Assets           | 14       | 22,798,498               | 20,057,774               |
|  |          | <b>588,139,024</b>       | <b>630,616,682</b>       |
| <b>(2) Current Assets</b>              |          |                          |                          |
| (a) Inventories                        | 15       | 648,597,468              | 550,524,170              |
| (b) Trade Receivables                  | 16       | 1,344,314,024            | 1,284,414,933            |
| (c) Cash & Bank Balance                | 17       | 99,887,252               | 89,283,289               |
| (d) Short Term Loans & Advances        | 18       | 131,904,788              | 123,984,670              |
| (e) Other Current Assets               | 19       | 21,094,793               | 8,946,896                |
|  |          | <b>2,245,798,324</b>     | <b>2,057,153,958</b>     |
| <b>TOTAL</b>                           |          | <b>2,833,937,350</b>     | <b>2,687,770,640</b>     |

Statement of Significant Accounting Policies

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

In terms of our report of even date attached

For **S.SINGHAL & CO.**

Chartered Accountants

Firm Registration No. - 001526C

**(R.K.Gupta)**

Partner

Membership No.- 073846

Dated : 19.05.2015

Place : Gurgaon

For and on behalf of board of directors

**(Satish Kumar Agarwal)**

Chairman & Managing Director

DIN - 00005981

**(Harish Kumar Agarwal)**

Chief Financial Officer

PAN - ABQPA6821J

**(Saurabh Agarwal)**

Whole Time Director

DIN - 00005970

**(Jogeswar Mohanty)**

Company Secretary

PAN - BDEPM0167L

## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

(Amount in ₹)

|  | NOTE No. | Year ended 31st March, 2015 | Year ended 31st March, 2014 |
|--|----------|-----------------------------|-----------------------------|
| <b>I. Revenue from Operations</b>  |          |                             |                             |
| Gross Sales & Operating Revenues   | 20       | 10,110,794,051              | 9,654,810,851               |
| Less: Excise duty  |          | 430,861,619                 | 437,751,956                 |
| <b>Net Revenue from Operations</b>   |          | <b>9,679,932,432</b>        | <b>9,217,058,894</b>        |
| <b>II. Other Income</b>  | 21       | 3,804,952                   | 3,600,754                   |
| <b>III. Total Revenue (I+II)</b>   |          | <b>9,683,737,384</b>        | <b>9,220,659,649</b>        |
| <b>IV. Expenses</b>  |          |                             |                             |
| Cost of Materials Consumed   | 22       | 2,367,379,205               | 2,481,089,426               |
| Purchases of Stock-in-Trade  | 23       | 5,957,049,351               | 5,474,955,326               |
| Change in inventories of finished goods, Work in progress and Stock in trade | 24       | (105,672,409)               | (18,194,227)                |
| Employee Benefit Expenses  | 25       | 241,325,993                 | 219,019,295                 |
| Finance Costs  | 26       | 129,874,087                 | 113,817,403                 |
| Depreciation & Amortization Expense  | 11       | 54,179,622                  | 47,367,392                  |
| Other Expenses   | 27       | 920,599,917                 | 810,320,526                 |
| <b>Total Expenses</b>  |          | <b>9,564,735,765</b>        | <b>9,128,375,140</b>        |
| <b>V. Profit before Tax (III-IV)</b>   |          | 119,001,618                 | 92,284,509                  |
| <b>VI. Tax Expense:</b>  |          |                             |                             |
| - Current Tax  |          | 42,143,215                  | 28,278,218                  |
| - Deferred Tax   |          | (3,393,645)                 | 4,283,223                   |
| - Income Tax of earlier years  |          | (14,379)                    | 173,134                     |
| <b>Total Tax Expenses</b>  |          | <b>38,735,191</b>           | <b>32,734,575</b>           |
| <b>VII. Profit after tax for the year (V-VI)</b>                             |          | <b>80,266,427</b>           | <b>59,549,933</b>           |
| <b>VIII. Earnings per equity share of face value of Rs. 10 each</b>          |          |                             |                             |
| - Basic (In rupees)  |          | 3.43                        | 2.54                        |
| - Diluted (In rupees)  |          | 3.43                        | 2.54                        |

Statement of Significant Accounting Policies

The accompanying notes form an integral part of the financial statements from 1 to 42.

In terms of our report of even date attached

For **S.SINGHAL & CO.**  
Chartered Accountants  
Firm Registration No.- 001526C

**(R.K.Gupta)**  
Partner  
Membership No.- 073846

Dated : 19.05.2015  
Place : Gurgaon

For and on behalf of board of directors

**(Satish Kumar Agarwal)**  
Chairman & Managing Director  
DIN - 00005981

**(Harish Kumar Agarwal)**  
Chief Financial Officer  
PAN - ABQPA6821J

**(Saurabh Agarwal)**  
Whole Time Director  
DIN - 00005970

**(Jogeswar Mohanty)**  
Company Secretary  
PAN - BDEPM0167L

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

(Amount in ₹)

| PARTICULARS  | For the year ended<br>31st March, 2015 | For the year ended<br>31st March, 2014 |
|--|--|--|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>            |  |  |
| <b>Net Profit before Tax</b>                             | <b>119,001,618</b>                     | <b>92,284,509</b>                      |
| Adjustments for:   |  |  |
| Depreciation   | 54,179,622                             | 47,367,392                             |
| Loss on sale/discarding of Fixed Assets (Net)            | 971,121                                | 6,075,139                              |
| Finance Costs  | 129,874,087                            | 113,817,403                            |
| Deferred Employees compensation expenses (Net)           | 3,671,114                              | 1,742,877                              |
| Prior Period Expenses                                    | 174,040                                | 214,726                                |
| Profit on Sale of Shares                                 | (285,490)                              | (225,000)                              |
| Interest received  | (2,732,048)                            | (2,897,142)                            |
| <b>Operating Profit before Working Capital Changes</b>   | <b>304,854,064</b>                     | <b>258,379,904</b>                     |
| Adjustments for:   |  |  |
| Trade Receivables  | (59,899,091)                           | (103,640,653)                          |
| Inventories  | (98,073,298)                           | (46,505,940)                           |
| Trade Payables   | (26,118,058)                           | (30,407,561)                           |
| Short term loans & advances                              | (7,920,118)                            | 18,653,848                             |
| Other current assets                                     | (12,174,813)                           | (8,140,847)                            |
| Other current liabilities                                | 217,718                                | (28,283,832)                           |
| Other long term liabilities                              | (15,492,288)                           | 57,852,111                             |
| Long term loans & advances                               | 18,424,818                             | 5,305,092                              |
| Other non current assets                                 | 11,269,814                             | (24,634,378)                           |
| <b>Cash Used/Generation from Operation</b>               |  |  |
| Direct Taxes Paid  | (61,322,690)                           | (22,275,101)                           |
| <b>Cash Flow before Exceptional Items</b>                | <b>53,766,057</b>                      | <b>76,302,643</b>                      |
| Prior period Adjustments                                 | (174,040)                              | (214,726)                              |
| <b>Net Cash (Used in)/ from Operating Activities (A)</b> | <b>53,592,017</b>                      | <b>76,087,917</b>                      |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>            |  |  |
| Purchase of Fixed Assets                                 | (44,501,382)                           | (57,113,747)                           |
| Sale of Fixed Assets                                     | 504,000                                | 2,475,900                              |
| Sale of Investments                                      | 7,750,000                              | 825,000                                |
| Purchase of Investments                                  | -                                      | (9,500,000)                            |
| Movement in bank deposits (net)                          | 584,388                                | 444,846                                |
| Interest Received  | 2,758,964                              | 2,940,029                              |
| <b>Net Cash (used in)/from Investing Activites (B)</b>   | <b>(32,904,030)</b>                    | <b>(59,927,973)</b>                    |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>            |  |  |
| Interest & other finance charges paid                    | (130,008,871)                          | (114,305,547)                          |
| Increase in share capital (including share premium)      | -                                      | -                                      |
| Borrowings/Repayments from Banks & FI's (Net)            | 3,749,916                              | (38,004,307)                           |
| Short term Borrowings                                    | 116,174,979                            | 135,763,641                            |
| <b>Net Cash (used in) / from Financing Activites (C)</b> | <b>(10,083,976)</b>                    | <b>(16,546,214)</b>                    |

(Amount in ₹)

| PARTICULARS                                   | For the year ended<br>31st March, 2015 | For the year ended<br>31st March, 2014 |
|---|--|--|
| Net Change in Cash & Cash Equivalents (A+B+C) | 10,604,012                             | (386,270)                              |
| Cash & Cash Equivalents (Opening Balance)     | 88,874,449                             | 89,260,719                             |
| Cash & Cash Equivalents (Closing Balance)#    | 99,478,460                             | 88,874,449                             |

# This does not includes balance with bank in unpaid dividend account.

In terms of our report of even date attached

For **S.SINGHAL & CO.**  
Chartered Accountants  
Firm Registration No.- 001526C

**(R.K.Gupta)**  
Partner  
Membership No.- 073846

Dated : 19.05.2015  
Place : Gurgaon

For and on behalf of board of directors

**(Satish Kumar Agarwal)**  
Chairman & Managing Director  
DIN - 00005981

**(Harish Kumar Agarwal)**  
Chief Financial Officer  
PAN - ABQPA6821J

**(Saurabh Agarwal)**  
Whole Time Director  
DIN - 00005970

**(Jogeswar Mohanty)**  
Company Secretary  
PAN - BDEPM0167L

## Statement Of Significant Accounting Policies

### 1) Basis of preparation of financial statements

- i) Financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and to comply with Accounting Standards referred to in Section 133 of the Companies Act 2013 read with Rule 7 of Company (Accounts) Rules, 2014 to the extent applicable.
- ii) The Company follows the mercantile system of accounting and recognizes the income & expenditure on accrual basis.
- iii) All assets and liabilities have been classified as Current or Non-current as per Company's normal operating cycle. Based on the nature of products and time between acquisition of assets/materials for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle being a period of one year for the purpose of classification of assets and liabilities as current and non-current.

### 2) Use of Estimates

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amount reported in the financial statement and notes thereto. Differences between actual and estimates are recognized in the period in which the results are known/ materialized.

### 3) Fixed Assets

#### a) Valuation of Fixed Assets

Fixed Assets are stated at cost of acquisition (net of cenvat/ vat) inclusive of all incidental expenses related thereto.

#### b) Depreciation

Depreciation on fixed assets upto 31.03.2014, is provided for on the straight-line method in the manner and at the rates prescribed under Schedule XIV of the Companies Act, 1956. Effective from 01.04.2014, depreciation is charged on the basis of useful life of the fixed assets. The Company has adopted useful life of fixed assets as given in Part 'C' of Schedule II of the Companies Act, 2013 in respect of all fixed assets.

#### c) Impairment of Assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Statement of Profit & Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

### 4) Investment

Current Investments are valued at lower of cost and market value. Long Term Investments are stated at cost. Provision for diminution in the value of Long term investment is made, if such diminution, in the opinion of the management, is other than of temporary in nature.

### 5) Inventories

- (a) Raw Materials, Stores & Spares, Packing Materials, Fuels, Finished Goods and Stock in process are valued at cost or net realizable value, whichever is less. In respect of stores and spares, raw material, packing materials and fuel cost have been arrived on FIFO basis. In case of Finished Goods and Stock in Process, cost has been arrived at on Standard cost basis.
- (b) Waste Scrap and by products are valued at net realizable value.

### 6) Sales

Sales are stated inclusive of excise duty and net of rebates, trade discounts, sales tax/vat, sales return etc.

### 7) Recognition of Income & Expenditure

- i) Revenues/Incomes and Costs/Expenditures are generally accounted for on accrual basis, as they are earned or incurred.
- ii) Interest income is recognized on time proportion basis.
- iii) Revenue from royalty are recognized as and when goods are sold by the franchisee units.
- iv) Discounts and schemes are recognised as and when crystalized.

- v) Insurance claims are recognised on certainty of its realisation.
- vi) Sales of power is recognised on the basis of actual quantity of power sold with reference to the centralised rate.
- vii) Dividend income is recognised when right to receive is established.

#### 8) Government Grants

Government grants related to revenues are recognised on systematic basis in Statement of Profit & Loss over the period necessary to match them with related cost which they intend to compensate and recurring nature of grants being ordinary items are shown by way of deduction in related expenses.

#### 9) Research & development

Capital expenditure on research & development is treated in the same way as expenditure on fixed assets. Revenue expenditure on research & development is charged to the Statement of Profit & Loss under the respective heads of expenses in the year in which it is incurred.

#### 10) Excise Duty/ Cenvat/VAT

Excise Duty is accounted for on the basis of both payments made in respect of goods cleared and also provisions made for goods lying in stock. Cenvat/VAT claimed on plant & machinery is reduced from the cost of plant & machinery. Cenvat/VAT claimed on purchase of raw materials, input services and other materials is reduced from the cost of such materials.

#### 11) Employee Retirement Benefit

- (i) Company's contribution to Provident Fund and Employee State Insurance are charged to Statement of Profit & Loss.
- (ii) Liability on account of gratuity and leave encashment are provided for on the basis of actuarial valuation made at the end of each financial year.

#### 12) Provisions for Current and Deferred Tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred tax resulting from "timing difference" between book profit and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the date of balance sheet. The deferred tax assets is recognized and carried forward only to the extent that there is a reasonable certainty that the same will be realized in future.

#### 13) Foreign Currency Transactions

All transactions in foreign currency are recorded at the rate of exchange prevailing on the date when the relevant transaction take place.

#### 14) Borrowing Cost

Borrowing cost that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying assets is one that takes necessarily substantial period of time to get ready for its intended use. All other borrowing costs are charged to Statement of Profit & Loss.

#### 15) Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.



## NOTES FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

### 1. SHARE CAPITAL

(Amount in ₹)

|   | As at<br>31st March, 2015 | As at<br>31st March, 2014 |
|---|---------------------------|---------------------------|
| <b>Authorised</b>   |                           |                           |
| 3,00,00,000 (Previous year 3,00,00,000) Equity Shares of Rs.10 each               | 300,000,000               | 300,000,000               |
| <b>Issued,Subscribed &amp; Paid up</b>  |                           |                           |
| 2,34,00,000 (Previous year 2,34,00,000) Equity Shares of Rs.10 each fully paid up | 234,000,000               | 234,000,000               |
| <b>TOTAL</b>  | <b>234,000,000</b>        | <b>234,000,000</b>        |

### 1.1 Reconciliation of the shares outstanding at the beginning and at the end of the year

(Amount in ₹)

|   | As at 31st March, 2015 |             | As at 31st March, 2014 |             |
|---|------------------------|-------------|------------------------|-------------|
|   | Number                 | Amount      | Number                 | Amount      |
| At the beginning of the year              | 23,400,000             | 234,000,000 | 23,400,000             | 234,000,000 |
| Issued during the year                    | -                      | -           | -                      | -           |
| Buy back during the year                  | -                      | -           | -                      | -           |
| Shares outstanding at the end of the year | 23,400,000             | 234,000,000 | 23,400,000             | 234,000,000 |

### 1.2 Details of Shareholders holding more than 5 % Shares in the Company

| Name of the Shareholder           | As at 31st March, 2015 |              | As at 31st March, 2014 |              |
|-----------------------------------|------------------------|--------------|------------------------|--------------|
|                                   | No. of Shares held     | % of Holding | No. of Shares held     | % of Holding |
| Mr. Satish Kumar Agarwal          | 1281842                | 5.48%        | 1281742                | 5.48%        |
| Mr. Sunil Kumar Agarwal           | 1295292                | 5.54%        | 1295292                | 5.54%        |
| Mrs. Sarita Agarwal               | 1354450                | 5.79%        | 1103700                | 4.72%        |
| Kamdhenu Overseas Ltd.            | 2999873                | 12.82%       | 2999873                | 12.82%       |
| Kamdhenu Paint Industries Limited | 1501701                | 6.42%        | 1501701                | 6.42%        |
| Kamdhenu Concast Limited          | 1413510                | 6.04%        | 1338510                | 5.72%        |

### 1.3 Terms/rights attached to Equity Shares

The Company has only one class of equity shares having a par value of Rs.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.

During the year ended 31st March 2015, the amount of per share dividend recognised as distribution to equity shareholders is Re. 0.70 per equity share of Rs. 10 each (Previous year Rs. Nil per share).

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.

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.

## 2. RESERVES & SURPLUS

(Amount in ₹)

|   | As at<br>31st March, 2015 | As at<br>31st March, 2014 |
|---|---------------------------|---------------------------|
| <b>a. Capital Reserves</b>  |                           |                           |
| At the beginning of the year  | 18,129,056                | 18,129,056                |
| Add: Current Year Transfer  | -                         | -                         |
| Less: Written Back in Current Year  | -                         | -                         |
| Balance at the end of the year  | <u>18,129,056</u>         | <u>18,129,056</u>         |
| <b>b. Securities Premium Account</b>  |                           |                           |
| At the beginning of the year  | 209,170,493               | 209,170,493               |
| Addition during the year  | -                         | -                         |
| Balance at the end of the year  | <u>209,170,493</u>        | <u>209,170,493</u>        |
| <b>c. Statement of Profit &amp; Loss</b>  |                           |                           |
| At the beginning of the year  | 478,565,000               | 419,015,063               |
| Less : Adjustment of depreciation consequent upon change<br>in useful life of assets (net of deferred tax asset of Rs. 28,29,445) | (5,346,251)               | -                         |
| Add: Profit for the year  | 80,266,427                | 59,549,933                |
| Less: Proposed Dividend   | (16,380,000)              | -                         |
| Less: Tax on Proposed Dividend  | (3,334,583)               | -                         |
| Balance at the end of the year  | <u>533,770,594</u>        | <u>478,564,997</u>        |
| <b>TOTAL</b>  | <b><u>761,070,143</u></b> | <b><u>705,864,546</u></b> |

## 3 LONG TERM BORROWINGS

(Amount in ₹)

|   | As at 31st March, 2015   |                    | As at 31st March, 2014   |                    |
|---|--------------------------|--------------------|--------------------------|--------------------|
|   | Non Current              | Current Maturities | Non Current              | Current Maturities |
| <b>Secured</b> : Term Loans from Banks:   |                          |                    |                          |                    |
| - State Bank of Bikaner & Jaipur #  | 8,943,362                | 6,814,990          | 3,912,699                | 6,529,169          |
| - Vehicles Loans from Banks*  | 9,409,865                | 7,422,241          | 7,708,595                | 5,150,079          |
| Term Loan from Financial Institution-<br>RIICO Limited ##                         | -                        | 1,455,000          | 1,455,000                | 5,540,000          |
|   | <u>18,353,227</u>        | <u>15,692,231</u>  | <u>13,076,294</u>        | <u>17,219,248</u>  |
| Amount Disclosed under the head<br>"Other Current Liabilities" (refer note no.-9) | -                        | 15,692,231         | -                        | 17,219,248         |
| <b>TOTAL</b>  | <b><u>18,353,227</u></b> | <b><u>-</u></b>    | <b><u>13,076,294</u></b> | <b><u>-</u></b>    |

### 3.1 Terms of Repayment of Term Loan from Bank and Financial institutions are as under:-

(Amount in ₹)

| Particulars          | Rate of interest | Repayment Schedule       |                         |                         |                         |                       |
|----------------------|------------------|--------------------------|-------------------------|-------------------------|-------------------------|-----------------------|
|                      |                  | Non Current              | 2016-17                 | 2017-18                 | 2018-19                 | 2019-20               |
| Term Loans from Bank | 13% to 13.75%    | 8,943,362                | 2,961,413               | 2,961,413               | 3,020,535               | -                     |
| Vehicle Loans        | 9.5% to 12.50%   | 9,409,865                | 5,614,866               | 1,596,487               | 1,622,982               | 575,530               |
| <b>TOTAL</b>         |                  | <b><u>18,353,227</u></b> | <b><u>8,576,279</u></b> | <b><u>4,557,900</u></b> | <b><u>4,643,518</u></b> | <b><u>575,530</u></b> |

### 3.2 Nature of Security of Term Loan from Bank and Financial institution:

# Term Loans from State Bank of Bikaner & Jaipur are secured by way of:

- Pari passu charge by way of hypothecation of stocks, book debts & Other current assets of the company, present & future.
- Pari passu charge over the movable and immovable assets including equitable mortgage of land & building at Plot No. A-1112 & A-1114, RIA, Bhiwadi, Rajasthan & Plot no. E-538-539A RIA, Chopanki, Rajasthan & Personal guarantee of whole time directors.

\* Vehicle loans from Banks are secured by hypothecation of respective vehicles.

## Term Loans from RIICO are secured by way of First pari passu charge over the movable and immovable assets including equitable mortgage of land & building at Plot No. A-1112 & A-1114, RIA, Bhiwadi, Rajasthan and Personal guarantee of whole time directors.

#### 4. DEFERRED TAX LIABILITIES (NET)

(Amount in ₹)

|   | As at<br>31st March, 2015 | Adjusted balance<br>as on 01.04.2014 | Adjustment of<br>account of adoption<br>of Sch-II of<br>Companies Act,<br>2013 | As at<br>31st March, 2014 |
|---|---------------------------|--------------------------------------|--|---------------------------|
| <b>Deferred Tax liabilities</b>   |                           |                                      |  |                           |
| On Account of timing differences between depreciation as per Income Tax Act & Companies Act | 51,997,734                | 52,088,698                           | 2,829,445  | 54,918,142                |
| <b>Deferred Tax Assets</b>  |                           |                                      |  |                           |
| On Account of Gratuity, Leave Encashment & Other items                                      | 7,986,585                 | 4,683,903                            | -  | 4,683,903                 |
| <b>TOTAL</b>  | <b>44,011,150</b>         | <b>47,404,794</b>                    | <b>2,829,445</b>   | <b>50,234,239</b>         |

#### 5. OTHER LONG TERM LIABILITIES

(Amount in ₹)

|   | As at<br>31st March, 2015 | As at<br>31st March, 2014 |
|---|---------------------------|---------------------------|
| Security from Dealers/ C&F Agents/Customers | 99,513,744                | 112,559,483               |
| Other Payables                              | 24,061,770                | 26,508,319                |
| <b>TOTAL</b>                                | <b>123,575,514</b>        | <b>139,067,802</b>        |

#### 6. LONG TERM PROVISIONS

(Amount in ₹)

|                                 | As at<br>31st March, 2015 | As at<br>31st March, 2014 |
|---------------------------------|---------------------------|---------------------------|
| Provision for employee Benefits |                           |                           |
| - Gratuity (Unfunded)           | 11,242,249                | 8,917,316                 |
| - Leave Encashment (Unfunded)   | 2,917,708                 | 2,113,887                 |
| <b>TOTAL</b>                    | <b>14,159,957</b>         | <b>11,031,203</b>         |

#### 7. SHORT TERM BORROWINGS

(Amount in `)

|                                | As at<br>31st March, 2015 | As at<br>31st March, 2014 |
|--------------------------------|---------------------------|---------------------------|
| <b>Secured Loans</b>           |                           |                           |
| #Working Capital Loan from :   |                           |                           |
| State Bank of Bikaner & Jaipur | 679,773,332               | 615,955,463               |
| Allahabad Bank                 | 274,766,343               | 222,409,233               |
| <b>TOTAL</b>                   | <b>954,539,675</b>        | <b>838,364,696</b>        |

Nature of Security of Short Term Borrowings:

**#Working Capital Loan from Banks are secured by way of:**

- Pari passu charge by way of hypothecation of stocks, book debts & Other current assets of the company, present & future.
- Pari passu charge over the movable and immovable assets including equitable mortgage of land & building at Plot No.A-1112 & A-1114,RIA, Bhiwadi, Rajasthan & Plot no. E-538-539A RIA, Chopanki,Rajasthan & Personal guarantee of whole time directors.

## 8. TRADE PAYABLES

(Amount in ₹)

|                | As at<br>31st March, 2015 | As at<br>31st March, 2014 |
|----------------|---------------------------|---------------------------|
| Trade Payables | 571,773,902               | 597,891,960               |
| <b>TOTAL</b>   | <b>571,773,902</b>        | <b>597,891,960</b>        |

8.1 The information as required to be disclosed under The Micro, Small and Medium Enterprises Development Act, 2006 ("the Act") has been determined to the extent such parties have been identified by the company, on the basis of information and records available. This information has been relied upon by the auditors.

| Particulars  | As at<br>31st March, 2015 | As at<br>31st March, 2014 |
|--|---------------------------|---------------------------|
| i. Principal amount remaining unpaid as the end of the year  | -                         | -                         |
| ii) Interest due on above  | -                         | -                         |
| a) Total of (i) & (ii)   | -                         | -                         |
| b) Interest paid on delayed payment of principal, paid along with such interest during the year        | -                         | -                         |
| c) Interest due on delayed payment of principal, paid without such interest during the year            | -                         | -                         |
| d) Interest accrued but not due, in respect of delayed payments of principal due as at end of the year | -                         | -                         |
| e) Total interest due and payable together with that from prior year (s)                               | -                         | -                         |

## 9. OTHER CURRENT LIABILITIES

(Amount in ₹)

|   | As at<br>31st March, 2015 | As at<br>31st March, 2014 |
|---|---------------------------|---------------------------|
| a. Current maturities of long-term debt (refer note no.3) | 15,692,231                | 17,219,248                |
| b. Interest accrued on term loans                         | 241,286                   | 376,070                   |
| c. Advance from customers                                 | 7,781,507                 | 10,358,866                |
| d. Unpaid dividend#                                       | 408,791                   | 408,841                   |
| e. Other payables   |                           |                           |
| - Employee related liabilities                            | 25,706,064                | 22,323,809                |
| - Statutory dues payable                                  | 41,316,508                | 41,903,686                |
| <b>TOTAL</b>  | <b>91,146,387</b>         | <b>92,590,520</b>         |

# Amount transferred to Investor Education and Protection Fund, wherever applicable and there are no outstanding dues in this account.

## 10. SHORT TERM PROVISIONS

(Amount in ₹)

|  | As at<br>31st March, 2015 | As at<br>31st March, 2014 |
|--|---------------------------|---------------------------|
| <b>a. Provision for employee Benefits</b>                  |                           |                           |
| - Gratuity (Unfunded)                                      | 1,171,288                 | 683,455                   |
| - Leave Encashment (Unfunded)                              | 218,375                   | 163,848                   |
| <b>b. Others</b>   |                           |                           |
| - Provision for Wealth Tax                                 | 203,150                   | 156,357                   |
| - Provision for Income Tax ( Net of Advance Tax & TDS/TCS) | -                         | 4,645,721                 |
| - Proposed Dividend  | 16,380,000                | -                         |
| - Tax on Proposed Dividend                                 | 3,334,583                 | -                         |
| <b>TOTAL</b>   | <b>21,307,396</b>         | <b>5,649,381</b>          |

**11. FIXED ASSETS**

(Amount in ₹)

| Particulars                 | GROSS BLOCK        |                           |                                      |                    | DEPRECIATION/AMORTISATION |                   |  |                            |                    | NET BLOCK          |                    |
|-----------------------------|--------------------|---------------------------|--------------------------------------|--------------------|---------------------------|-------------------|--|----------------------------|--------------------|--------------------|--------------------|
|                             | As at 01.04.2014   | Additions during the year | Deduction/Adjustment during the year | As at 31.03.2015   | Up to 01.04.2014          | For the year      | Adjustment on account of adoption of Sch-II of Companies Act, 2013 | Adjustment during the year | Up to 31.03.2015   | As at 31.03.2015   | As at 31.03.2014   |
| <b>I) Tangible Assets</b>   |                    |                           |                                      |                    |                           |                   |  |                            |                    |                    |                    |
| Land                        | 27,587,986         | -                         | -                                    | 27,587,986         | -                         | -                 | -  | -                          | -                  | 27,587,986         | 27,587,986         |
| Flat                        | 3,000,000          | -                         | -                                    | 3,000,000          | 97,800                    | 47,449            | -  | -                          | 145,249            | 2,854,751          | 2,902,200          |
| Building (Factory)          | 107,700,671        | 1,167,809                 | -                                    | 108,868,480        | 21,875,405                | 3,397,940         | -  | -                          | 25,273,345         | 83,595,135         | 85,825,266         |
| Building (Adm.)             | 1,597,168          | -                         | -                                    | 1,597,168          | 439,435                   | 24,950            | -  | -                          | 464,385            | 1,132,783          | 1,157,733          |
| Plant & Machinery           | 245,988,350        | 8,310,716                 | 11,025,175                           | 243,273,891        | 69,407,553                | 17,312,395        | 4,571,121  | 9,704,176                  | 81,586,893         | 161,686,998        | 260,711,337        |
| Tinting Machine             | 102,066,726        | 12,829,549                | -                                    | 114,896,275        | 17,936,186                | 11,847,889        | -  | -                          | 29,784,075         | 85,112,200         | -                  |
| Office Equipments           | 21,910,799         | 2,848,668                 | 11,275,370                           | 13,484,097         | 12,040,574                | 3,871,319         | 3,604,575  | 11,231,282                 | 8,285,186          | 5,198,911          | 6,529,995          |
| Furniture & Fixtures        | 17,521,740         | 918,714                   | 143,228                              | 18,297,226         | 6,633,158                 | 2,640,869         | -  | 143,228                    | 9,130,800          | 9,166,426          | 10,193,558         |
| Electric installations      | 18,020,859         | -                         | -                                    | 18,020,859         | 6,472,948                 | 2,521,244         | -  | -                          | 8,994,192          | 9,026,667          | 15,583,163         |
| Vehicles                    | 40,303,144         | 14,298,489                | 435,342                              | 54,166,291         | 9,235,632                 | 7,359,426         | -  | 325,308                    | 16,269,750         | 37,896,541         | 31,067,512         |
| Misc Fixed Assets           | 29,217,990         | 1,288,128                 | -                                    | 30,506,118         | 6,868,844                 | 2,175,911         | -  | -                          | 9,044,755          | 21,461,363         | 22,349,146         |
| Lab Equipments              | 5,086,411          | 5,478,291                 | 429,218                              | 10,135,484         | 1,362,955                 | 1,273,554         | -  | 429,218                    | 2,207,291          | 7,928,193          | 3,723,456          |
| Wind Power Plants           | 96,809,552         | -                         | -                                    | 96,809,552         | 71,298,531                | 1,706,674         | -  | -                          | 73,005,205         | 23,804,347         | 25,511,021         |
| <b>Sub-Total (A)</b>        | <b>716,811,396</b> | <b>47,140,364</b>         | <b>23,308,333</b>                    | <b>740,643,427</b> | <b>223,669,021</b>        | <b>54,179,622</b> | <b>8,175,696</b>   | <b>21,833,212</b>          | <b>264,191,127</b> | <b>476,452,301</b> | <b>493,142,373</b> |
| Previous Year               | 675,301,982        | 68,796,718                | 27,287,304                           | 716,811,396        | 195,037,896               | 47,367,392        | -  | 18,736,265                 | 223,669,023        | 493,142,373        | 480,264,086        |
| <b>II) Tangible Capital</b> |                    |                           |                                      |                    |                           |                   |  |                            |                    |                    |                    |
| Work in Progress            | 3,303,607          | 4,479,454                 | 7,118,436                            | 664,625            | -                         | -                 | -  | -                          | -                  | 664,625            | 3,303,607          |
| <b>Sub-Total (B)</b>        | <b>3,303,607</b>   | <b>4,479,454</b>          | <b>7,118,436</b>                     | <b>664,625</b>     | <b>-</b>                  | <b>-</b>          | <b>-</b>   | <b>-</b>                   | <b>-</b>           | <b>664,625</b>     | <b>3,303,607</b>   |
| Previous Year               | 14,986,578         | 6,654,805                 | 18,337,776                           | 3,303,607          | -                         | -                 | -  | -                          | -                  | 3,303,607          | 14,986,578         |
| <b>Grand Total(A+B)</b>     | <b>720,115,003</b> | <b>51,619,818</b>         | <b>30,426,769</b>                    | <b>741,308,052</b> | <b>223,669,021</b>        | <b>54,179,622</b> | <b>8,175,696</b>   | <b>21,833,212</b>          | <b>264,191,127</b> | <b>477,116,926</b> | <b>496,445,980</b> |
| Previous Year               | 690,288,560        | 75,451,523                | 45,625,080                           | 720,115,003        | 195,037,896               | 47,367,392        | -  | 18,736,265                 | 223,669,023        | 496,445,980        | 495,250,664        |

**12. NON - CURRENT INVESTMENTS**

(Amount in ₹)

| Sr. No. | Name of the Body corporate              | Category | No. of Shares / Units |                  | Quoted/Unquoted | Partly Paid/ Fully Paid | Extent of holding (%) |        | (Amount in Rs.)   |                   | Whether Stated at cost<br>Yes / No | If Answer to Column (12) is 'No.'<br>Basis of Valuation |
|---------|---|----------|-----------------------|------------------|-----------------|-------------------------|-----------------------|--------|-------------------|-------------------|------------------------------------|---|
|         |   |          | 2015                  | 2014             |                 |                         | 2015                  | 2014   | 2015              | 2014              |                                    |   |
| 1       | 2                                       | 3        | 4                     | 5                | 6               | 7                       | 8                     | 9      | 10                | 11                | 12                                 | 13  |
| (a)     | Investment in Government or Trust NSC   | Other    |                       |                  | Unquoted        | Fully paid              |                       |        | 10,000            | 10,000            | Yes                                |   |
| (b)     | Other non-current investments trade     |          |                       |                  |                 |                         |                       |        |                   |                   |                                    |   |
|         | M/s Shree Bankey . Bihari Ispat (P) Ltd | Other    | 1,542,605             | 2,192,605        | Unquoted        | Fully paid              | 18.12%                | 25.75% | 7,035,490         | 10,000,000        | Yes                                |   |
|         | M/s Stalex Coating Ltd.                 | Other    | 268,220               | 718,220          | Unquoted        | Fully paid              | 18.25%                | 48.86% | 2,682,200         | 7,182,200         | Yes                                |   |
|         | M/s Orange Spa & Resorts (P) Ltd.       | Other    | 2,450,000             | 2,450,000        | Unquoted        | Fully paid              | 4.45%                 | 4.45%  | 24,500,000        | 24,500,000        | Yes                                |   |
|         | <b>TOTAL</b>                            |          | <b>4,260,825</b>      | <b>5,360,825</b> |                 |                         |                       |        | <b>34,227,690</b> | <b>41,692,200</b> |                                    |   |

Aggregate Value of unquoted trade investments of Rs. 3,42,17,690/- (Previous Years Rs. 4,16,82,200)

**13. LONG TERM LOANS & ADVANCES**

(Amount in ₹)

|  | As at<br>31st March, 2015 | As at<br>31st March, 2014 |
|--|---------------------------|---------------------------|
| Unsecured, considered good unless stated otherwise |                           |                           |
| - Capital Advances                                 | 194,100                   | 1,150,112                 |
| - Security Deposit                                 | 15,995,794                | 20,607,564                |
| Other Loans & Advances                             |                           |                           |
| - Income Tax Recoverable (Net)                     | 2,861,424                 | 17,456,349                |
| - Excise Duty & Service tax Deposit under protest  | 21,758,542                | 21,383,542                |
| - Sales Tax Recoverable                            | 13,186,051                | 11,823,161                |
| <b>TOTAL</b>                                       | <b>53,995,911</b>         | <b>72,420,728</b>         |

**14. OTHER NON CURRENT ASSETS**

(Amount in ₹)

|   | As at<br>31st March, 2015 | As at<br>31st March, 2014 |
|---|---------------------------|---------------------------|
| Other Recoverables                            | 21,509,264                | 19,352,928                |
| Non current bank balance ( refer note no.17 ) | 1,289,234                 | 704,846                   |
| <b>TOTAL</b>                                  | <b>22,798,498</b>         | <b>20,057,774</b>         |

**15. INVENTORIES**

(Amount in ₹)

|                                      | As at<br>31st March, 2015 | As at<br>31st March, 2014 |
|--------------------------------------|---------------------------|---------------------------|
| a. Raw materials & Packing Materials | 126,386,203               | 143,326,395               |
| b. Stock in Process                  | 4,240,546                 | 3,310,630                 |
| c. Finished Goods                    | 461,655,903               | 359,046,428               |
| d. Stores, Spares & Fuel             | 34,440,310                | 25,099,229                |
| e. Waste, Scraps & Runner Risers     | 4,541,457                 | 3,168,801                 |
| f. Stock of goods traded in          | 17,333,049                | 16,572,686                |
| <b>TOTAL</b>                         | <b>648,597,468</b>        | <b>550,524,170</b>        |

**16. TRADE RECEIVABLES**

(Amount in ₹)

|   | As at<br>31st March, 2015 | As at<br>31st March, 2014 |
|---|---------------------------|---------------------------|
| Unsecured considered good unless stated otherwise   |                           |                           |
| a. Trade Receivables outstanding for a period of more than six month from the date they are due for payment | 293,215,624               | 256,312,837               |
| b. Others   | 1,051,098,400             | 1,028,102,096             |
| <b>TOTAL</b>  | <b>1,344,314,024</b>      | <b>1,284,414,933</b>      |



**17. CASH & BANK BALANCES**

(Amount in ₹)

|   | Non Current               |                           | Current                   |                           |
|---|---------------------------|---------------------------|---------------------------|---------------------------|
|   | As at<br>31st March, 2015 | As at<br>31st March, 2014 | As at<br>31st March, 2015 | As at<br>31st March, 2014 |
| <b>Cash &amp; Cash Equivalents</b>  |                           |                           |                           |                           |
| - Cash on Hand  | -                         | -                         | 5,594,563                 | 14,319,757                |
| <b>Balances with Banks</b>  |                           |                           |                           |                           |
| - In Current accounts   | -                         | -                         | 82,105,931                | 61,310,925                |
| - In Deposit accounts with less than<br>3 months maturity periods   | -                         | -                         | -                         | -                         |
|   | -                         | -                         | 11,777,967                | 13,243,766                |
| <b>Other Bank balances</b>  |                           |                           |                           |                           |
| - Balance with bank in unpaid<br>dividend accounts  | -                         | -                         | 408,791                   | 408,841                   |
| - In Bank Deposit against LC/BG with<br>maturity for more than 3 month<br>but less than 12 month maturity | 866,510                   | 495,645                   | -                         | -                         |
| - In Bank Deposit against LC/BG<br>with more than 12 month maturity                                       | 422,724                   | 209,201                   | -                         | -                         |
| Amount disclosed under the head<br>"other non current assets"<br>(refer note no.14)                       | 1,289,234                 | 704,846                   | -                         | -                         |
| <b>TOTAL</b>  | <b>-</b>                  | <b>-</b>                  | <b>99,887,252</b>         | <b>89,283,289</b>         |

**18. SHORT TERM LOANS & ADVANCES**

(Amount in ₹)

|   | As at<br>31st March, 2015 | As at<br>31st March, 2014 |
|---|---------------------------|---------------------------|
| Unsecured considered good unless otherwise stated |                           |                           |
| - Advances to Suppliers                           | 104,987,954               | 98,828,455                |
| - Loan & Advances to employees                    | 1,052,828                 | 836,655                   |
| - Balance with Statutory authorities              | 15,858,785                | 17,362,115                |
| - Prepaid expenses                                | 2,044,642                 | 1,362,506                 |
| - Other receivable                                | 7,960,579                 | 5,594,939                 |
| <b>TOTAL</b>                                      | <b>131,904,788</b>        | <b>123,984,670</b>        |

**19. OTHER CURRENT ASSETS**

(Amount in ₹)

|                                      | As at<br>31st March, 2015 | As at<br>31st March, 2014 |
|--------------------------------------|---------------------------|---------------------------|
| a. Interest accrued on Fixed Deposit | 111,854                   | 138,770                   |
| b. Claims and Other receivable       | 20,982,939                | 8,808,126                 |
| <b>TOTAL</b>                         | <b>21,094,793</b>         | <b>8,946,896</b>          |

**20. SALES & OPERATING REVENUES**

(Amount in ₹)

|                                     | Year ended<br>31st March, 2015 | Year ended<br>31st March, 2014 |
|-------------------------------------|--------------------------------|--------------------------------|
| Sale of Products                    | 9,809,735,350                  | 9,358,096,153                  |
| Gross Revenue from Power Generation | 8,712,149                      | 8,521,893                      |
| Royalty & Others                    | 292,346,551                    | 288,192,805                    |
|                                     | <b>10,110,794,051</b>          | <b>9,654,810,851</b>           |
| Less : Excise Duty                  | 430,861,619                    | 437,751,956                    |
| <b>TOTAL</b>                        | <b>9,679,932,432</b>           | <b>9,217,058,894</b>           |

**21. OTHER INCOME**

(Amount in ₹)

|                               | Year ended<br>31st March, 2015 | Year ended<br>31st March, 2014 |
|-------------------------------|--------------------------------|--------------------------------|
| Interest Received             | 2,324,936                      | 2,897,142                      |
| Profit on Sale of shares      | 285,490                        | 225,000                        |
| Insurance Claim received      | 220,496                        | 463,452                        |
| Miscellaneous Incomes         | 566,918                        | 15,160                         |
| Interest on Income tax Refund | 407,112                        | -                              |
| <b>TOTAL</b>                  | <b>3,804,952</b>               | <b>3,600,754</b>               |

**22. COST OF MATERIALS CONSUMED**

(Amount in ₹)

|                             | Year ended<br>31st March, 2015 | Year ended<br>31st March, 2014 |
|-----------------------------|--------------------------------|--------------------------------|
| <b>a. Raw Materials</b>     |                                |                                |
| Opening Stock               | 117,113,650                    | 92,828,950                     |
| Add : Purchases             | 2,142,767,405                  | 2,292,935,849                  |
| Less : Closing Stock        | 101,759,975                    | 117,113,650                    |
| <b>Total (a)</b>            | <b>2,158,121,080</b>           | <b>2,268,651,149</b>           |
| <b>b. Packing Materials</b> |                                |                                |
| Opening Stock               | 26,212,745                     | 19,142,390                     |
| Add : Purchases             | 172,090,850                    | 181,833,772                    |
| Less : Closing Stock        | 24,626,228                     | 26,212,745                     |
| <b>Total (b)</b>            | <b>173,677,367</b>             | <b>174,763,417</b>             |
| <b>c. Other Consumable</b>  |                                |                                |
| Opening Stock               | 18,048,108                     | 14,995,129                     |
| Add : Purchases             | 40,987,210                     | 40,727,839                     |
| Less : Closing Stock        | 23,454,560                     | 18,048,108                     |
| <b>Total (c)</b>            | <b>35,580,758</b>              | <b>37,674,860</b>              |
| <b>Total (a+b+c)</b>        | <b>2,367,379,205</b>           | <b>2,481,089,426</b>           |

**23. PURCHASES OF STOCK-IN-TRADE**

(Amount in ₹)

|              | Year ended<br>31st March, 2015 | Year ended<br>31st March, 2014 |
|--------------|--------------------------------|--------------------------------|
| Purchases    | 5,957,049,351                  | 5,474,955,326                  |
| <b>TOTAL</b> | <b>5,957,049,351</b>           | <b>5,474,955,326</b>           |

**24. CHANGE IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE**

(Amount in ₹)

|                               | Year ended<br>31st March, 2015 | Year ended<br>31st March, 2014 |
|-------------------------------|--------------------------------|--------------------------------|
| Closing Stock:                |                                |                                |
| Finished Goods                | 461,655,903                    | 361,605,113                    |
| Stock in Process              | 4,240,546                      | 3,310,630                      |
| Stock of traded goods         | 17,333,049                     | 16,572,686                     |
| Waste, Scraps & Runner Risers | 4,541,457                      | 610,117                        |
| <b>Total (a)</b>              | <b>487,770,955</b>             | <b>382,098,546</b>             |
| Less: Opening Stock:          |                                |                                |
| Finished Goods                | 361,605,113                    | 319,028,697                    |
| Stock in Process              | 3,310,630                      | 4,395,588                      |
| Stock of traded goods         | 16,572,686                     | 35,789,735                     |
| Waste, Scraps & Runner Risers | 610,117                        | 4,690,299                      |
| <b>Total (b)</b>              | <b>382,098,546</b>             | <b>363,904,318</b>             |
| <b>TOTAL (a-b)</b>            | <b>(105,672,409)</b>           | <b>(18,194,227)</b>            |

**25. EMPLOYEES BENEFIT EXPENSES**

(Amount in ₹)

|   | Year ended<br>31st March, 2015 | Year ended<br>31st March, 2014 |
|---|--------------------------------|--------------------------------|
| Salary, Wages & Other Benefits                | 211,871,901                    | 194,338,007                    |
| Directors' Remuneration including Perquisites | 15,256,800                     | 14,868,000                     |
| Contribution to Provident Fund                | 8,268,447                      | 5,541,501                      |
| Contribution to Employee's State Insurance    | 942,408                        | 863,411                        |
| Bonus   | 678,300                        | 650,062                        |
| Leave Encashment                              | 951,552                        | 63,263                         |
| Staff welfare expenses                        | 3,356,585                      | 2,695,051                      |
| <b>TOTAL</b>                                  | <b>241,325,993</b>             | <b>219,019,295</b>             |

**26. FINANCE COST**

(Amount in ₹)

|                         | Year ended<br>31st March, 2015 | Year ended<br>31st March, 2014 |
|-------------------------|--------------------------------|--------------------------------|
| Interest Expenses       | 127,866,884                    | 112,866,799                    |
| Other Financial Charges | 2,007,203                      | 950,604                        |
| <b>TOTAL</b>            | <b>129,874,087</b>             | <b>113,817,403</b>             |

**27. OTHER EXPENSES**

(Amount in ₹)

|   | Year ended<br>31st March, 2015 | Year ended<br>31st March, 2014 |
|---|--------------------------------|--------------------------------|
| Audit Fees                                    | 450,000                        | 450,000                        |
| Advertisement                                 | 40,108,556                     | 37,455,789                     |
| Bad Debts written off                         | 3,285,978                      | 5,836,698                      |
| Commision on Sales                            | 63,321,875                     | 63,185,524                     |
| Freight & Forwarding Expenses                 | 135,229,410                    | 138,751,384                    |
| Fuel Charges                                  | 47,242,106                     | 45,923,523                     |
| Increase/ (Decrease) in Excise Duty on Stocks | 455,603                        | (3,384,608)                    |
| Insurance Charges                             | 3,185,733                      | 3,310,462                      |
| Legal & Professional Charges                  | 16,551,439                     | 8,295,759                      |
| Printing & Stationery                         | 6,173,286                      | 5,534,461                      |
| Power Charges                                 | 181,800,921                    | 163,773,565                    |
| Rates, Fee & Taxes                            | 9,246,193                      | 7,791,596                      |
| Rent  | 17,430,433                     | 17,341,391                     |
| Repair & Maintenance Building                 | 1,719,131                      | 1,371,774                      |
| Repair & Maintenance Machinery                | 32,516,731                     | 37,543,911                     |
| Sales Promotion                               | 301,723,173                    | 218,277,167                    |
| Telephone Expenses                            | 8,376,598                      | 6,070,104                      |
| Travelling & Conveyance                       | 33,531,586                     | 28,506,232                     |
| Vehicle Running & Maintenance                 | 4,941,917                      | 4,783,588                      |
| Wealth Tax                                    | 203,150                        | 156,357                        |
| Miscellaneous Expenses                        | 13,106,098                     | 19,345,850                     |
| <b>TOTAL</b>                                  | <b>920,599,917</b>             | <b>810,320,526</b>             |

**27.1 Grouping of Miscellenous expenses**

(Amount in ₹)

|                                | Year ended<br>31st March, 2015 | Year ended<br>31st March, 2014 |
|--------------------------------|--------------------------------|--------------------------------|
| Bank & other charges           | 2,190,624                      | 3,547,433                      |
| Books & Periodicals            | 79,568                         | 17,537                         |
| Donation                       | 55,815                         | 438,400                        |
| Loss on Discarded Assets       | 971,121                        | 6,075,139                      |
| Miscellaneous Expenses         | 5,644,295                      | 4,413,690                      |
| Office Maintenance Exp.        | 1,618,886                      | 1,420,100                      |
| Postage & Courier Charges      | 1,822,414                      | 2,052,389                      |
| Prior Period Expenses          | 174,040                        | 214,726                        |
| Subscription & Membership Fees | 106,742                        | 273,275                        |
| Wind Mill Service Charges      | 442,593                        | 893,160                        |
| <b>TOTAL</b>                   | <b>13,106,098</b>              | <b>19,345,850</b>              |

**28. Contingent Liabilities and Commitments (to the extent not provided for)**

(Amount in ₹)

| PARTICULARS   | Year ended<br>31st March, 2015 | Year ended<br>31st March, 2014 |
|---|--------------------------------|--------------------------------|
| <b>a. Contingent Liabilities</b>  |                                |                                |
| (A) Claims against the company not acknowledged as debt   |                                |                                |
| - Central Excise & Service Tax  | 166,233,152                    | 46,618,128                     |
| - Income Tax  | 1,827,000                      | 8,921,000                      |
| - Sales Tax & Central Sales Tax   | 27,598,891                     | 36,192,544                     |
| (B) Guarantees issued by Bank   | 4,300,000                      | 4,520,000                      |
|   | <u>199,959,043</u>             | <u>96,251,672</u>              |
| <b>b. Commitments</b>   |                                |                                |
| Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advance) | 3,128,134                      | 1,989,593                      |
|   | <u>3,128,134</u>               | <u>1,989,593</u>               |
| <b>TOTAL (a+b)</b>  | <b><u>203,087,177</u></b>      | <b><u>98,241,265</u></b>       |

29. Some of the balances of Trade Receivables, Trade Payables, advances and Security deposits as on 31.03.2015 are subject to confirmation. The company had initiated legal cases on some debtors for its recovery and the same have been included to the extent of Rs.1,07,87,259/- in outstanding for more than six months and Rs.2,15,09,264/- in other non current assets. The management of the company is hopeful of favourable decision on such legal cases, hence no provision for bad and doubtful debts have been considered. Other payables under other long term liabilities includes Rs.2,39,33,701/- of trade payables under litigation.
30. In the opinion of the management, current & non current assets, loans & advances have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.
31. Effective from 01.04.2014, the company has revised estimated useful life of its fixed assets as per the Schedule II of the Companies Act 2013. Based on current estimates, after retaining the residual value, the carrying amount of the fixed assets of Rs.53,46,251 (net of deferred tax assets of Rs.28,29,445) on account of fixed assets whose useful life has already exhausted as on 1st April, 2014 have been adjusted to General Reserves. Had there not been any change in the useful of life of the fixed assets, net depreciation for the year ended 31.03.2015 would have been lower by Rs. 55,32,096.
32. The gross amount required to be spent by the company on CSR during the year worked out to be Rs.10,41,236 which is yet to be spent.
33. The company does not have any fund for gratuity and leave encashment liability and same is accounted for as provision on actuarial basis. The following table summarizes the components of net benefits/expenses recongnised in the statement of profit & loss and balance sheet.

(Amount in ₹)

|  | Gratuity (Unfunded) |                  | Leave Encashment (Unfunded) |                  |
|--|---------------------|------------------|-----------------------------|------------------|
|  | 31/03/2015          | 31/03/2014       | 31/03/2015                  | 31/03/2014       |
| <b>A. Change in present value of obligation</b>                |                     |                  |                             |                  |
| a) Present value of obligation as at the beginning of the year | 9,600,771           | 7,913,188        | 2,277,735                   | 2,222,441        |
| b) Acquisition adjustment                                      | -                   | -                | -                           | -                |
| c) Interest cost   | 748,860             | 633,055          | 177,663                     | 177,795          |
| d) Past service cost   | -                   | -                | -                           | -                |
| e) Current service cost  | 2,369,660           | 2,007,502        | 986,225                     | 728,985          |
| f) Curtailment cost/(Credit)                                   | -                   | -                | -                           | -                |
| g) Settlement cost/(Credit)                                    | -                   | -                | -                           | -                |
| h) Benefits paid   | (660,453)           | (311,457)        | (93,204)                    | (7,969)          |
| i) Actuarial (gain)/loss on obligation                         | 354,699             | (641,517)        | (212,336)                   | (843,517)        |
| j) Present value of obligation as at the end of period         | <u>12,413,537</u>   | <u>9,600,771</u> | <u>3,136,083</u>            | <u>2,277,735</u> |

|  |              |             |             |             |
|--|--------------|-------------|-------------|-------------|
| <b>B. Actuarial gain / loss recognized</b>                       |              |             |             |             |
| a) Actuarial gain/(loss) for the period-obligation               | (354,699)    | 641,517     | 212,336     | 843,517     |
| b) Actuarial (gain)/loss for the period-plan assets              | -            | -           | -           | -           |
| c) Total (gain)/loss for the period                              | 354,699      | (641,517)   | (212,336)   | (843,517)   |
| d) Actuarial (gain)/loss recognized in the period                | 354,699      | (641,517)   | (212,336)   | (843,517)   |
| e) Unrecognized actuarial (gains) losses at the end of period    | -            | -           | -           | -           |
| <b>C. The amounts to be recognized in balance sheet</b>          |              |             |             |             |
| a) Present value of obligation as at the end of the period       | 12,413,537   | 9,600,771   | 3,136,083   | 2,277,735   |
| b) Fair value of plan assets as at the end of the period         | -            | -           | -           | -           |
| c) Funded status   | (12,413,537) | (9,600,771) | (3,136,083) | (2,277,735) |
| d) Excess of actual over estimated                               | -            | -           | -           | -           |
| e) Unrecognized actuarial (gains)/ losses                        | -            | -           | -           | -           |
| f) Net asset/(liability) recognized in balance sheet             | (12,413,537) | (9,600,771) | (3,136,083) | (2,277,735) |
| <b>D. Expense recognized in the statement of profit and loss</b> |              |             |             |             |
| a) Current service cost  | 2,369,660    | 2,007,502   | 986,225     | 728,985     |
| b) Past service cost   | -            | -           | -           | -           |
| c) Interest cost   | 748,860      | 633,055     | 177,663     | 177,795     |
| d) Expected return on plan assets                                | -            | -           | -           | -           |
| e) Curtailment cost / (Credit)                                   | -            | -           | -           | -           |
| f) Settlement cost / (credit)                                    | -            | -           | -           | -           |
| g) Net actuarial (gain)/ loss recognized in the period           | 354,699      | (641,517)   | (212,336)   | (843,517)   |
| h) Expenses recognized in the statement of profit & losses       | 3,473,219    | 1,999,040   | 951,552     | 63,263      |
| <b>E. Actuarial Assumptions Used</b>                             |              |             |             |             |
| a) Discounting Rate  | 7.80%        | 8.00%       | 7.80%       | .00%        |
| b) Future Salary Increase  | 4.00%        | 4.00%       | 4.00%       | 4.00%       |
| c) Actuarial Method Used   | PUC Method   | PUC Method  | PUC Method  | PUC Method  |

33.1 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 Rs.82,68,447/- (previous year Rs.55,41,501/-) and is included in Note no. 25 " Employees Benefit expenses".

(Amount in ₹)

| 34. Payment to the Auditors | Year ended<br>31st March, 2015 | Year ended<br>31st March, 2014 |
|-----------------------------|--------------------------------|--------------------------------|
| Statutory audit fee         | 400,000                        | 400,000                        |
| Taxation matters            | 50,000                         | 50,000                         |
| <b>TOTAL</b>                | <b>450,000</b>                 | <b>450,000</b>                 |

**35. In the case of manufacturing companies -**

(a) Raw materials Consumed

(Amount in ₹)

| Particular          | Year ended<br>31st March, 2015 | Year ended<br>31st March, 2014 |
|---------------------|--------------------------------|--------------------------------|
| <b>STEEL</b>        |                                |                                |
| M.S. Ingot/ Billets | 1,015,481,308                  | 1,134,310,664                  |
| M.S. Scrap/ Sponge  | 500,794,528                    | 434,013,945                    |
| <b>Sub Total</b>    | <b>1,516,275,836</b>           | <b>1,568,324,609</b>           |
| <b>PAINTS</b>       |                                |                                |
| Alkyd               | 110,812,069                    | 126,766,646                    |
| Chemicals           | 155,398,289                    | 193,722,587                    |
| Additive & Drier    | 117,235,044                    | 100,499,285                    |
| Extender            | 118,433,105                    | 127,637,915                    |
| Pigment & Solvent   | 139,966,738                    | 151,700,107                    |
| <b>Sub Total</b>    | <b>641,845,245</b>             | <b>700,326,540</b>             |
| <b>TOTAL</b>        | <b>2,158,121,081</b>           | <b>2,268,651,149</b>           |

(b) Good purchased

| Particular     | Year ended<br>31st March, 2015 | Year ended<br>31st March, 2014 |
|----------------|--------------------------------|--------------------------------|
| <b>Steel</b>   |                                |                                |
| Steel Products | 5,911,900,979                  | 5,403,575,002                  |
| Other Products | 30,537,000                     | 24,614,735                     |
|                | <u>5,942,437,979</u>           | <u>5,428,189,737</u>           |
| Paint Products | 14,611,372                     | 46,765,588                     |
| <b>TOTAL</b>   | <u><b>5,957,049,351</b></u>    | <u><b>5,474,955,326</b></u>    |

(c) Sales

(Amount in ₹)

| Particular                | Sales for the<br>year ended<br>31st March, 2015 | Sales for the<br>year ended<br>31st March, 2014 | Inventory for the<br>year ended<br>31st March, 2015 | Inventory for the<br>year ended<br>31st March, 2014 |
|---------------------------|---|---|---|---|
| <b>Manufactured Goods</b> |   |   |   |   |
| Steel Products            | 2,132,028,692                                   | 2,154,670,482                                   | 60,960,940  | 54,041,378  |
| Paint Products            | 1,619,337,620                                   | 1,595,543,780                                   | 405,236,420   | 308,173,852   |
| <b>Sub-Total</b>          | <u><b>3,751,366,312</b></u>                     | <u><b>3,750,214,262</b></u>                     | <u><b>466,197,360</b></u>                           | <u><b>362,215,230</b></u>                           |
| <b>Traded Goods</b>       |   |   |   |   |
| Steel Products            | 5,994,335,508                                   | 5,487,261,344                                   | -   | 1,048,089   |
| Other Products            | 42,022,107                                      | 37,296,450                                      | 2,406,344   | 857,600   |
|                           | <u>6,036,357,615</u>                            | <u>5,524,557,794</u>                            | <u>2,406,344</u>                                    | <u>1,905,688</u>                                    |
| Paint Products            | 22,011,423                                      | 83,324,096                                      | 14,926,705  | 14,666,998  |
| <b>Sub-Total</b>          | <u><b>6,058,369,038</b></u>                     | <u><b>5,607,881,890</b></u>                     | <u><b>17,333,049</b></u>                            | <u><b>16,572,686</b></u>                            |
| <b>TOTAL</b>              | <u><b>9,809,735,350</b></u>                     | <u><b>9,358,096,152</b></u>                     | <u><b>483,530,409</b></u>                           | <u><b>378,787,916</b></u>                           |

(d) Work in Progress

(Amount in ₹)

| Particular       | Year ended<br>31st March, 2015 | Year ended<br>31st March, 2014 |
|------------------|--------------------------------|--------------------------------|
| Work in Progress |                                |                                |
| Steel Products   | 1,499,343                      | 1,579,638                      |
| Paint Products   | 2,741,203                      | 1,730,992                      |
| <b>TOTAL</b>     | <u><b>4,240,546</b></u>        | <u><b>3,310,630</b></u>        |

36.

(Amount in ₹)

| Particular  | Year ended<br>31st March, 2015 | Year ended<br>31st March, 2014 |
|---|--------------------------------|--------------------------------|
| a. Value of imports calculated on C.I.F basis Capital Goods                           | 13,51,801                      | -                              |
| Value of imports calculated on C.I.F basis Advance for Import of Capital Goods        | -                              | 7,10,112                       |
| b. Expenditure in foreign currency on:  |                                |                                |
| -Import of Traded goods   | -                              | -                              |
| -Sales Promotion  | 75,829                         | 3,05,961                       |
| c. The amount remitted during the year in foreign currencies on account of dividends. | NIL                            | NIL                            |
| d. Earnings in foreign exchange.  | NIL                            | NIL                            |

e. Total value of all imported raw materials, spare parts and components consumed during the financial year and the total value of all indigenous raw materials, spare parts and components similarly consumed and the percentage of each to the total consumption;



| Particular                              | Year ended 31st March, 2015 |                      | Year ended 31st March, 2014 |                      |
|---|-----------------------------|----------------------|-----------------------------|----------------------|
|   | Percentage                  | (Amount in ₹)        | Percentage                  | (Amount in ₹)        |
| <b>A. Raw Materials</b>                 |                             |                      |                             |                      |
| (I) Imported                            | -                           | -                    | -                           | -                    |
| (II) Indigenous                         | 100%                        | 2,158,121,080        | 100%                        | 2,268,651,149        |
| <b>Total</b>                            |                             | <b>2,158,121,080</b> |                             | <b>2,268,651,149</b> |
| <b>B. Packing Materials</b>             |                             |                      |                             |                      |
| (I) Imported                            | -                           | -                    | -                           | -                    |
| (II) Indigenous                         | 100%                        | 173,677,367          | 100%                        | 174,763,417          |
| <b>Total</b>                            |                             | <b>173,677,367</b>   |                             | <b>174,763,417</b>   |
| <b>C. Stores, Spares and Components</b> |                             |                      |                             |                      |
| (I) Imported                            | -                           | -                    | -                           | -                    |
| (II) Indigenous                         | 100%                        | 35,580,758           | 100%                        | 37,674,860           |
| <b>Total</b>                            |                             | <b>35,580,758</b>    |                             | <b>37,674,860</b>    |
| <b>D. Traded Goods</b>                  |                             |                      |                             |                      |
| (I) Imported                            | -                           | -                    | -                           | -                    |
| (II) Indigenous                         | 100%                        | 5,956,288,989        | 100%                        | 5,494,172,374        |
| <b>TOTAL</b>                            |                             | <b>5,956,288,989</b> |                             | <b>5,494,172,374</b> |

37 .The Company has incurred following expenditure on Research & Development which are included in the respective heads of expenses.

(Amount in ₹)

| Revenue Expenditure           | Year ended<br>31st March, 2015 | Year ended<br>31st March, 2014 |
|-------------------------------|--------------------------------|--------------------------------|
| Employee Cost                 | 2,897,173                      | 2,455,962                      |
| Testing & Laboratory Expenses | 190,458                        | 32,746                         |
| Vehicle Running Maintenance   | 105,840                        | 247,154                        |
| Material Consumed             | 157,670                        | 173,982                        |
| <b>TOTAL</b>                  | <b>3,351,141</b>               | <b>2,909,844</b>               |

38. Basic and diluted earning Per Share [EPS]

(Amount in ₹)

| Particular   | Year ended<br>31st March, 2015 | Year ended<br>31st March, 2014 |
|--|--------------------------------|--------------------------------|
| <b>Basic</b>   |                                |                                |
| Profit after tax as per accounts   | 80,266,427                     | 59,549,933                     |
| Weighted average number of shares outstanding  | 23,400,000                     | 23,400,000                     |
| Basic EPS  | 3.43                           | 2.54                           |
| <b>Diluted</b>   |                                |                                |
| Profit after tax as per accounts   | 80,266,427                     | 59,549,933                     |
| Weighted average number of shares outstanding  | 23,400,000                     | 23,400,000                     |
| Add: Weighted average number of potential equity shares on account of conversion of warrants | -                              | -                              |
| Weighted average number of shares outstanding for diluted EPS                                | 23,400,000                     | 23,400,000                     |
| <b>Diluted EPS</b>   | <b>3.43</b>                    | <b>2.54</b>                    |
| <b>Face value per share ( In Rs. )</b>   | <b>10</b>                      | <b>10</b>                      |

39. As per Accounting Standard-17 "Segment Reporting" issued by ICAI, the Company has identified three reportable business segments viz. Steel, Power & Paints and following policies have been adopted for the 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 could not be allocable to a specific segment are being disclosed separately as un-allocable.
- Segment Assets and Segment Liabilities represent assets and liabilities in respective segment. Investments, tax related assets, other assets and liabilities that cannot be allocated to a segment on a reasonable basis have been disclosed as 'Un-allocable'.

(Amount in ₹)

| Particular   | Year ended<br>31st March, 2015 | Year ended<br>31st March, 2014 |
|--|--------------------------------|--------------------------------|
| <b>A. Segment Revenue</b>  |                                |                                |
| - Steels   | 8,460,732,858                  | 7,926,749,741                  |
| - Power  | 8,712,149                      | 8,521,893                      |
| - Paints   | 1,641,349,043                  | 1,719,539,216                  |
| Gross Turnover   | 10,110,794,051                 | 9,654,810,851                  |
| Less: Excise Duty  | 430,861,619                    | 437,751,956                    |
| <b>Net Turnover</b>  | <b>9,679,932,432</b>           | <b>9,217,058,894</b>           |
| <b>B. Segment Results</b>  |                                |                                |
| - Steels   | 285,639,764                    | 224,618,100                    |
| - Power  | 6,365,971                      | (2,808,206)                    |
| - Paints   | 63,489,323                     | 85,804,903                     |
| Profit before Interest, Tax & unallocable items                    | 355,495,058                    | 307,614,797                    |
| Less: Interest   | 129,874,087                    | 113,817,403                    |
| Less: Other Unallocable Expenditure net of Income                  | 106,619,353                    | 101,512,885                    |
| <b>Profit before Tax</b>   | <b>119,001,618</b>             | <b>92,284,510</b>              |
| <b>C. Capital Employed</b><br>(Segment Assets-Segment Liabilities) |                                |                                |
| - Steels   | 1,115,020,602                  | 1,029,186,314                  |
| - Power  | 24,918,800                     | 25,855,171                     |
| - Paints   | 937,979,597                    | 849,725,245                    |
| - Unallocable  | 29,311,791                     | 42,825,859                     |
| <b>TOTAL</b>   | <b>2,107,230,789</b>           | <b>1,947,592,589</b>           |

40. Disclosure of related parties and transaction with them:

**Description of Relationship**

**Nature of Relationship**

**Key Management Personnel**

**Related Company**

**Name of Related Party**

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

M/s Kamdhenu Overseas Ltd.

(Amount in ₹)

| Nature of Transactions                                 | Remuneration/Perquisites       |                                | Others                         |                                |
|--|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
|  | Year ended<br>31st March, 2015 | Year ended<br>31st March, 2014 | Year ended<br>31st March, 2015 | Year ended<br>31st March, 2014 |
| <b>Remuneration/Perquisites to KMP</b>                 |                                |                                |                                |                                |
| Sh. Satish Kumar Agarwal, Chairman & Managing Director | 3,979,200                      | 4,032,000                      | -                              | -                              |
| Sh. Sunil Kumar Agarwal, Whole Time Director           | 3,919,200                      | 3,780,000                      | -                              | -                              |
| Sh. Saurabh Agarwal, Whole Time Director               | 3,679,200                      | 3,528,000                      | -                              | -                              |
| Sh. Sachin Agarwal, Whole Time Director                | 3,679,200                      | 3,528,000                      | -                              | -                              |
| Sh. Harish Kumar Agarwal, Chief Financial Officer      | 1,595,496                      | 1,385,520                      | -                              | -                              |
| Sh. Jogeswar Mohanty, Company Secretary                | 608,997                        | 522,100                        | -                              | -                              |
| <b>TOTAL</b>   | <b>17,461,293</b>              | <b>16,775,620</b>              | -                              | -                              |

| <b>Sale of Goods:</b>      |   |           |
|----------------------------|---|-----------|
| M/s Kamdhenu Overseas Ltd. | - | 3,854,746 |

41. As per Accounting Standard-28 "Impairment of Assets" issued by ICAI, there are no indication of overall impairment in assets.

42. Previous year figures have been reclassified/ rearranged wherever necessary.

Notes "1 to 42" form an integral part of the Balance Sheet and Statement of Profit & Loss and have been duly authenticated as such.

Signature to Notes "1 to 42"

In terms of our report of even date attached

For **S.SINGHAL & CO.**  
Chartered Accountants  
Firm Registration No.- 001526C

**(R.K.Gupta)**  
Partner  
Membership No.- 073846

Dated : 19.05.2015  
Place : Gurgaon

For and on behalf of board of directors

**(Satish Kumar Agarwal)**  
Chairman & Managing Director  
DIN - 00005981

**(Harish Kumar Agarwal)**  
Chief Financial Officer  
PAN - ABQPA6821J

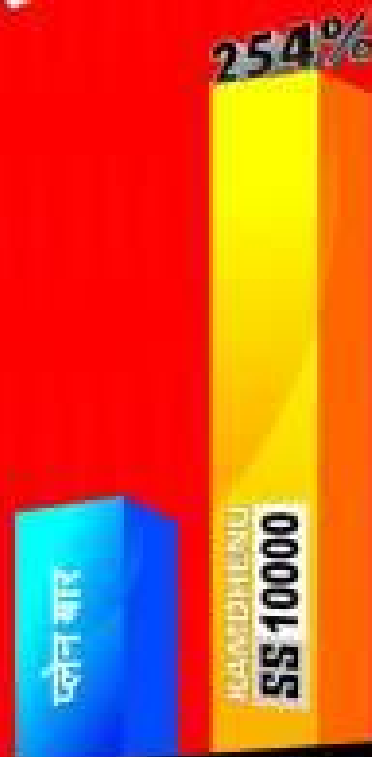
**(Saurabh Agarwal)**  
Whole Time Director  
DIN - 00005970

**(Jogeswar Mohanty)**  
Company Secretary  
PAN - BDEPM0167L

**KAMDHENU**  
**SS 10000**

बड़े नामों में भी  
सबसे ऊपर  
तभी हम देते हैं  
**254%**  
मज़बूत पकड़

SS की सबसे मजबूत में निर्मित स्टील का  
सबसे अधिकतम तब तक डीप तक जो  
होती है जो क्रेडिट के लिए 10000 N/mm<sup>2</sup>  
(450000 PSI) तक की संकुचन शक्ति



**2 वा दम**

अनोखी इंटरलॉकिंग पकड़ | 10000 पी.एन.एम. तक की कठोर बिल्ले के साथ लक्ष्य | 100% भूकंपरोधी इमारत

हर घर वाले दो का दम

- भारतीय एवं अंतर्राष्ट्रीय मानकों के अनुसार निर्मित
- बेहतरीन रासायनिक गुण एवं भौतिक गुण
- खुले सिलों पर लगे कैप के कारण जंग से सुरक्षित
- प्रति चौरस किलो के कारण डिफायरली

1. Kamdhenu Ispat Limited, 200, Gurgaon Road, Gurgaon, Haryana 122002, India. 2. Kamdhenu Steel, 100, Gurgaon Road, Gurgaon, Haryana 122002, India.

**KAMDHENU ISPAT LIMITED**  
TOLL FREE NO.: 1800 1800 545





Buildings have their own homes, offices, and enterprises. In every building there  
dwells life, some living, some subdued. The most influential lives within all of us,  
our dreams, is also why (because our sensitive heart of ours). They deserve to be  
cherished and pursued. They deserve the sparkling shades and tender tones.  
They deserve the best. They deserve Dreams Colour.

*Turn your Wall  
into a Masterpiece*

**DREAMS**  
**Colour**  
THE BEST CHOICE



**KAMDHENU**  
**PAINTS**



## **KAMDHENU ISPAT LIMITED**

CIN L27101DL1994PLC134282

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