

# ANNUAL REPORT 2010-2011



GROWTH ORIENTED

STRONGLY FOUNDED



K A M D H E N U   I S P A T   L I M I T E D

**BOARD OF DIRECTORS**

Mr. Satish Kumar Agarwal  
Mr. Sunil Kumar Agarwal  
Mr. Saurabh Agarwal  
Mr. Sachin Agarwal  
Mr. Purshottam Das Agarwal  
Mr. Mahendra Kumar Doogar  
Mr. Parvesh Kumar Goel  
Mr. Radha Krishna Pandey

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

**Chief Financial Officer**

Mr. Harish Kumar Agarwal

**Company Secretary**

Mr. Yogendra Dwivedi

**Auditors**

S. Singhal & Company, Chartered Accountants  
E-127, Industrial Area, Bhiwadi-301 019, Rajasthan

**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

**Bankers**

State Bank of Bikaner & Jaipur  
Allahabad Bank  
H D F C Bank Limited

**Registered Office**

L-311, Street No. 7, Mahipalpur Exention, New Delhi-110037

**Corporate Office**

2nd Floor, Tower-A, Building No. 9, DLF Cyber City, Phase-3  
Gurgaon – 122 002 (Haryana), Ph: 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  
Ph: 01493-302900, Fax: 01493-302928  
PAINTS : E-538-539 A, Industrial Area, Chopanki, Distt. Alwar, Rajasthan  
Ph: 01493-306800, Fax: 01493-260224

**Audit Committee**

Mr. Mahendra Kumar Doogar  
Mr. Parvesh Kumar Goel  
Mr. Radha Krishna Pandey  
Mr. Sunil Kumar Agarwal

**Investors' Grievance Committee**

Mr. Mahendra Kumar Doogar  
Mr. Parvesh Kumar Goel  
Mr. Saurabh Agarwal

**Remuneration Committee**

Mr. Mahendra Kumar Doogar  
Mr. Purshottam Das Agarwal  
Mr. Parvesh Kumar Goel

Message from CMD	4
Vision & Philosophy	6
Pan-India Presence	7
Products Portfolio	8
Corporate Social Responsibility	24
Directors' Report	25

# Table of Contents

Management Discussions & Analysis	30
Corporate Governance Report	33
Auditors' Report	42
Balance Sheet	45
Profit & Loss Account	46
Schedules	47
Cash Flow Statement	64



Mr. Satish Kumar Agarwal  
Chairman & Managing Director



Mr. Sunil Kumar Agarwal  
Whole Time Director



Mr. Saurabh Agarwal  
Whole Time Director



Mr. Sachin Agarwal  
Whole Time Director

## Board of Directors



Mr. Purshottam Das Agarwal  
Director




Mr. Parvesh Kumar Goel  
Director



Mr. Mahendra Kumar Doogar  
Director



Mr. Radha Krishna Pandey  
Director



The geniuses and  
guiding force  
behind Kamdhenu's  
unprecedented  
success and growth



# From CMD Desk

Dear All,

It is a pleasure for me to be among you for sharing the Annual Report of Kamdhenu Ispat Limited for the financial year 2010-11. I feel delighted to inform you that the company has been able to achieve its targets projected at the beginning of the financial year. The growth that we have registered is as per our expectations and based on our performance during the fiscal, we can sense a promising future for the company.

The financial year under review has been the recovery period for the world economy. Bettering economic conditions have encouraged the flow of investment in infrastructural development and construction activities. The Government of India has also taken many steps to develop the infrastructure of the country. This has resulted into the emergence of various PPP projects in infrastructure sector and given opportunities to private players for contributing directly towards the growth of the country while expanding their business operations simultaneously. The performance of Kamdhenu Ispat Limited has also got

benefited by the dynamics of economic environment of the country. It is due to the flexibility in our manufacturing process and efficiency of our distribution system that we have been able to adjust ourselves according to growing demand for steel products, and hence, ensure maximum advantage from the growth of the economy.

If I were to define the sole objective of the existence of Kamdhenu Ispat Limited, I would suggest that it is to serve the Indian customers by making world-class products available to them. With a vision to realize this goal, the company involves into the manufacturing, marketing, branding and distribution of wide range of construction and infrastructure products. Kamdhenu Ispat Limited has a legacy of rich portfolio of steel products that includes Reinforcement Steel Bars (TMT/HSD), Structural Steel (Angle, Beam, Channel and Flat) and Binding Wire. The aspiration to be present with the customers at their places has inspired the company to provide various other products that are essential to complete a building

such as Plywood, PVC Pipes and Paints- *Colour Dreamz*. The urge to serve the customers did not stop here and the company has diversified by entering into FMCG segment with its packaged drinking water brand Kamdhenu *fresh*.

It's the venturing spirit to introduce industry innovation that distinguishes Kamdhenu Ispat Limited from others. Apart from exploring the new business verticals, we have also invested significantly in upgradation of existing product range. We have joined the niche league by launching advanced varieties of TMT products namely 500D, Fe-500 and Fe-550 in India. Responding to the upcoming huge demand for environment friendly products the company has added Eco-friendly paint products in its existing range of Architectural, Decorative and Designer paint products that enlists Exterior & Interior Emulsions, Synthetic & GP Enamels, Acrylic Distempers, Water Based & Solvent based Primers, Wood Finishes, Aluminum Finishes and Textured & Designer Finishes.



To ensure that customers get the best quality products Kamdhenu Paints produces all its paint products at its state-of-the-art manufacturing plant located at Chopanki (Bhiwadi), Rajasthan. Kamdhenu paints is among the few leading paint companies in India to own the latest 'Computerized Tinting Machine' technology that allows customers to choose the precise shade of their choice. We have been installing it at our dealers' outlets and have increased the reach of 'Computerized Tinting Machine' technology significantly all across the country.

Kamdhenu Ispat Limited has always been respected for the outstanding quality of its products. Our products are in high demand because customers trust our brand name for excellence. The consistency in the quality of our products inspires customers to buy even the latest product introduced by us. Evidence to this fact is the speed with which we have been able to successfully establish our paint products and packaged drinking water in the market. In the financial year 2010-11, our paint division has contributed significantly towards the overall growth of the company. Considering the present sales of our paint products in different parts of the country we can sense a very bright future for the company.

Not to repeat that Kamdhenu Ispat Limited is the first company to introduce the concept of branded steel products in India. It is Kamdhenu Ispat Limited that firstly integrated the independent producers by coming up with the

revolutionary 'Franchisee Association Business Model' and brought the steel business into organized sector. Beneficial for all, our business model makes the products of the independent producers more sellable by allowing them the advantage to use our brand name; it empowers us to make our standard products available in different parts of the country more economically and at faster speed. With a view to maximize our reach, we have added more business associates making our production strength more than 50 units.

Kamdhenu Ispat Limited ensures the availability of all its products in the remote areas of the country. Our strong distribution network includes over 3500 dealers and distributors for marketing of steel products and over 5000 dealers and distributors for paint products. Apart from this we have also established over 30 sales depots countrywide for enhancing the marketing channel of paint products.

Reaching out to the customers in all parts of the country is very important for an organization of our size. Kamdhenu Ispat Limited invests considerable funds in advertising and other marketing communication activities to ensure that the huge populace of the country becomes aware of the brand identity and product range of the company. This year also was no exception. We have run multimedia campaigns throughout the year apart from extensive branding activities at our dealers' outlets.

Since its inception Kamdhenu Ispat Limited has always made sure that

the whole society gets benefitted from its existence. The social wing of the company Kamdhenu Jeevandhara supports numerous humanitarian causes to fulfill its responsibility towards the society. It contributes significantly towards the education of underprivileged children. Kamdhenu Jeevandhara also runs Green India Campaign to mitigate the impact of global warming by motivating all its dealers and distributors to plant more than five saplings every year.

Here once again, I would like to thank all our esteemed Stakeholders, Directors, Bankers, Financial Institutions, Dealers, Distributors, Franchisee Alliances, Employees and most of all to our Customers for consistently extending their support and trust in our abilities and making Kamdhenu Ispat Limited one of the leading construction and infrastructure companies in India. We urge you to continue to trust us. We assure you that our relationship will always be mutually fructifying like it has always been.

With warm regards,  
Yours sincerely



Satish Kumar Agarwal  
Chairman & Managing Director  
Kamdhenu Ispat Limited  
30th May 2011

# Vision & Mission

Integrity in Action, Commitment to Serve,  
Assurance of Quality and Vision to Grow  
Beyond Limits.

Kamdhenu Ispat Limited aims to sustain its leadership in the market by providing superior quality products to the customers.

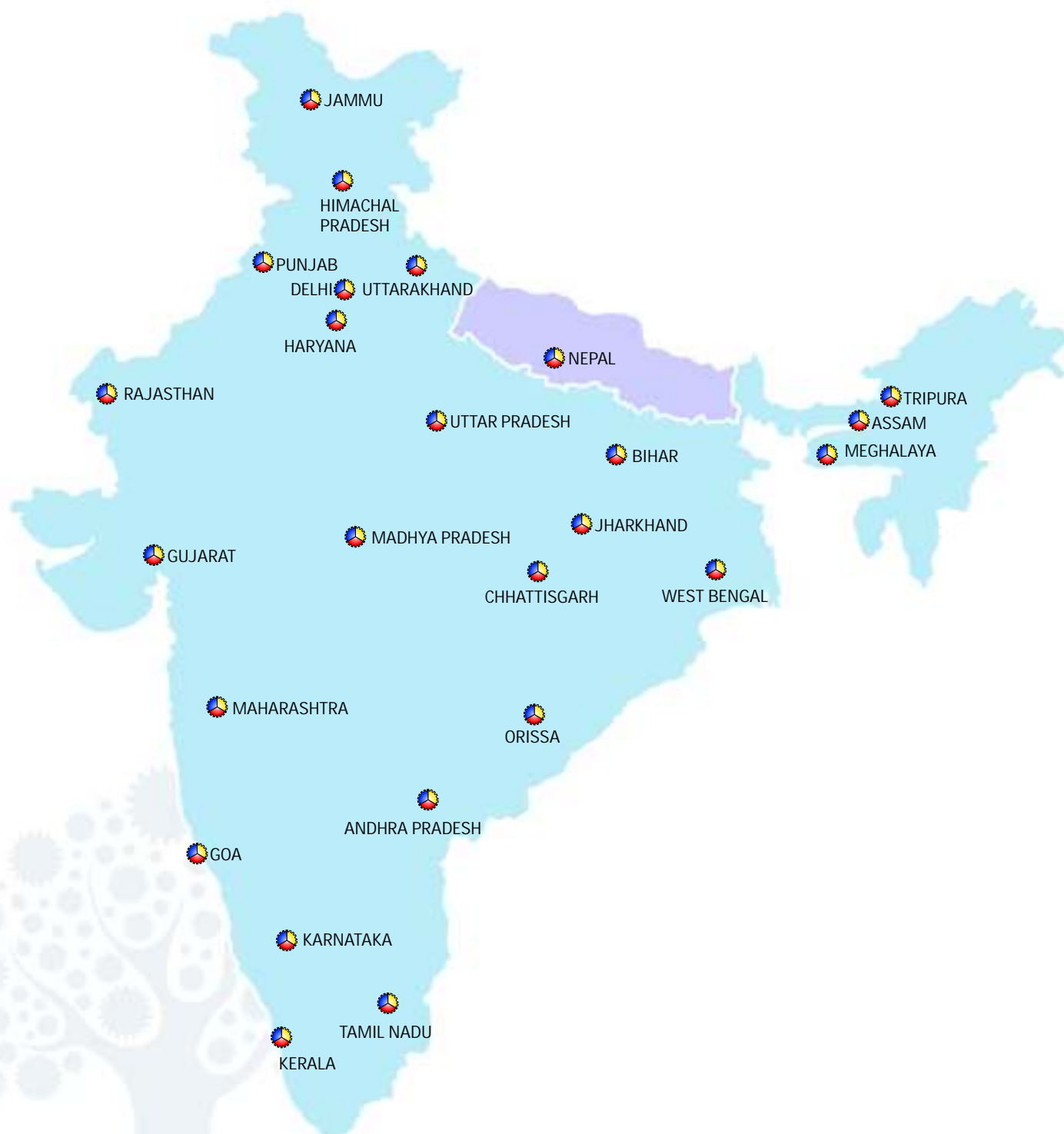


Kamdhenu Ispat Limited, engaged in the Indian Infrastructure and Construction Industry, aims to attain the peak of growth and success, provide customers with best quality products under one umbrella and contributing towards the welfare of the society. To accomplish this vision, Kamdhenu Ispat Limited diversified its product portfolio to satiate more customers and get the most out of its potential.

Our mission is to shoulder swift growth in manufacturing, marketing, branding and distribution and eradicate the bottlenecks faced by our franchisee

divisions. We inculcate the best technologies in our processes and update our methods in sync with the recent changes. All this helps Kamdhenu Ispat Limited to look for newer, untapped territories and broaden its customer base.

Kamdhenu Ispat Limited also endeavours to serve the society it operates in. In this regard we have taken many initiatives to fulfill the needs of underprivileged and deprived children and physically challenged people. In near future we aim to serve more needy people with more sincere efforts.







World-Class Products

All the production units of Kamdhenu Ispat Limited adhere to international quality standards in the manufacturing steel products.

Reinforcement Steel Bar (TMT/HSD) is the crown jewel of Kamdhenu Ispat Limited. Starting with a small step in Bhiwadi, Rajasthan many years ago, Kamdhenu has progressed beyond many milestones and achieved the highest degree of growth and success. Today, Kamdhenu has more than 50 franchisee production units with a combined annual capacity of 15 Lacs Metric Tonnes to take its diversified portfolio to every part of the country. Not just this, with a swift and progressive momentum the company is aiming beyond the national boundaries and eyeing a great consumer base in other SAARC countries.

Thermo-Mechanically-Treated

(TMT) Steel bars are being manufactured by Kamdhenu Ispat Limited using CRM Belgium Technology, 'TEMPCORE' and enjoy a distinct position in the context of Indian Industry and Construction segment. Kamdhenu also added two new upgraded variants of TMTs in its portfolio viz. 415D and 500D. These TMTs reduce the level of harmful impurities of Sulphur and Phosphorus up to 0.075% and increase the life span of a structure by providing extra strength to withhold under extreme hot and cold weather conditions. These TMTs have been manufactured as per the latest of BIS specifications. The other normally available variants of TMTs are Fe-415, Fe-500 and Fe-550.

