



Ref: KVL/SEC/2023-24/21

Date: 18th May, 2023

To,
The Manager- Listing
National Stock Exchange of India Limited,
Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai-400 051
NSE Symbol: KAMOPAINTS

To,
The Manager- Listing
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai- 400 001
BSE Scrip Code: 543747

Sub: Intimation of Investment to be made in Kamdhenu Colour and Coatings Limited, Wholly Owned Subsidiary of the Company.

Dear Sir/Madam,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended read with Part A, Para A(1) of Schedule III thereto ("SEBI Listing Regulations"), we wish to inform that the Board of Directors of Kamdhenu Ventures Limited ("the Company") in their meeting held on today i.e Thursday, 18th May, 2023, has, *inter-alia*, considered and approved to make investment in Kamdhenu Colour and Coatings Limited ('KCCL'), a wholly owned subsidiary of the Company upto an aggregate amount of Rs. 58,00,00,000 (Rupees Fifty Eight Crore Only) by way of subscription of 58,00,000, 0.01% Optionally Convertible Redeemable Preference Shares ('OCRPS') of face value of Rs. 10 each at an issue price of Rs. 100 per share of KCCL.

Details with respect to the said investment to be made by the Company, as required under Regulation 30(6) read with Part A Para A(1) of Schedule III thereto of the SEBI Listing Regulations and the SEBI Circular CIR/CFD/CMD/4/2015 dated 9 September 2015 is stated below;

Acquisition (including agreement to acquire):

S.No	Particulars	Details
1	Name of the Target Entity, details in brief such as Size, Turnover etc.	Kamdhenu Colour and Coatings Limited ('KCCL'), Wholly Owned Subsidiary of the Company and Public Limited Company Authorised Share Capital of KCCL: Rs. 11,10,00,000 (Rupees Eleven Crore and Ten Lakhs Only) divided into Equity Share Capital of Rs. 5,10,00,000 (Rupees Five Crore and Ten Lakhs Only) divided 51,00,000 (Fifty One Lakhs) Equity Shares of Rs. 10 each and Preference Share Capital of Rs. 6,00,00,000 (Rupees Six Crore Only) divided into 60,00,000 (Sixty Lakhs) Preference Shares of Rs. 10 each.

		<p>Paid-Up Capital before the proposed investment: Equity Shares Capital of Rs. 3,04,000 (Rupees Three Lakhs and Four Thousand Only) divided into 30,400 Equity Shares of face value of Rs. 10 each.</p> <p>Paid-up Capital after the proposed investment: Rs. 5,83,04,000 Paid up Capital divided into Equity Share Capital of Rs. 3,04,000 (Rupees Three Lakhs and Four Thousand Only) divided into 30,400 Equity Shares of Rs. 10 each and Preference Share Capital of Rs. 5,80,00,000 (Five Crore and Eighty Lakhs Only) divided into 58,00,000 Preference Shares of Rs. 10 each</p> <p>Turnover for the Financial Year 2022-23: Rs. 25051.32 Lakhs</p> <p>Net Worth for the Financial Year 2022-23: Rs. 8544.10 Lakhs</p>
2	<p>Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arms length"</p>	<p>Kamdhenu Colour and Coatings being a wholly owned subsidiary is a related party in terms of definition as stated under Section 2(76) of the Companies Act, 2013 as amended and upto date.</p> <p>However, the Investment to be made by the Company in Kamdhenu Colour and Coatings Limited does not constitute to be the related Party Transaction, as the KCCL is an wholly-owned subsidiary and its financial statement are being consolidated with the Company, on quarterly and annual basis and are placed before the Shareholders at General Meeting.</p> <p>None of the Promoter/Member of Promoter Group of the Company and/or Group Companies has any interest in the proposed investment to be made by the Company in KCCL.</p> <p>Arm Length: Since the proposed acquisition is not a related party transaction thus this clause is Not Applicable.</p>
3	<p>Industry to which the entity being acquired belongs</p>	<p>KCCL is engagement in the business of manufacturing of Paints Products.</p> <p>Industry Type: Paint Industry</p>

4	Objects and Effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity)	<p>The Company has raised an amount of Rs. 65.25 Crore (Rupees Sixty Five Crore and Fifty Lakhs Only) through issuance of 45,00,000 Equity Shares to Qualified Institutional Buyers in terms of Chapter V of SEBI ICDR Regulations, 2018. As per object of said fund raising, the proceeds of the said issuance of Equity Shares shall be utilized for Redemption of Preference Shares and infusion of funds in KCCL for the below objects.</p> <ul style="list-style-type: none"> - Meeting the Working Capital Requirement of Paint Business; - Image Building through aggressive Branding and Marketing of the Paint products; - Meeting Capital expenditure by way of Addition of fixed Machineries and tinting machine at dealers counter; and - Reduction in Guaranteed Emergency Credit Line (GECL) facility loan/debt. <p>This infusion of funds shall be utilized by the KCCL for the aforesaid objects for revamping the Paint Business.</p>
5	Brief Details of any Governmental or Regulatory Approvals required for the Acquisition	None
6	Indicative time period for completion of the Acquisition	The proposed investment shall be completed by the Company on or before 30 th June, 2023 (<i>tentative</i>).
7	nature of consideration- whether cash consideration or share swap and details of the same.	Cash Consideration
8	Cost of Acquisition or the Price at which the Shares are acquired	<p>Cost of Acquisition : Upto Rs. 58,00,00,000 (Rupees Fifty Eight Crore Only)</p> <p>Price at which the Share are acquired : Issue price of the 58,00,000 Optionally Convertible Redeemable Preference Shares (OCRPS) proposed to be acquired by the Company is Rs. 100 per Share (including premium of Rs. 90 per share).</p>
9	Percentage of Shareholding / Control Acquired and / or Number of Shares Acquired;	Shareholding prior to the Proposed Acquisition: Entire Equity Share Capital as stated below of the KCCL is held by the Company.

		<table border="1"> <thead> <tr> <th>No. of Equity Shares</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>30,400</td> <td>100%</td> </tr> </tbody> </table> <p>Shareholding post to the Proposed Acquisition: Entire Equity Share Capital and Preference Share Capital of the KCCL is held by the Company.</p> <table border="1"> <thead> <tr> <th>No. of Equity Shares</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>30,400</td> <td>100%</td> </tr> <tr> <th>No. of Preference Shares (OCRPS)</th> <th>Percentage</th> </tr> <tr> <td>58,00,000</td> <td>100%</td> </tr> </tbody> </table>	No. of Equity Shares	Percentage	30,400	100%	No. of Equity Shares	Percentage	30,400	100%	No. of Preference Shares (OCRPS)	Percentage	58,00,000	100%
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10	<p>Brief background about the Entity acquired in terms of; products/line of business acquired; date of incorporation; history of last 3 years turnover; country in which the acquired entity has presence; and any other significant information.</p>	<p>KCCL is Public Limited Company, incorporated on 16th November, 2019.</p> <p>KCCL being a Wholly-Owned Subsidiary of the Company is engaged in the manufacturing of Paints Products.</p> <p>Turnover for the last three financial year is stated below:</p> <p>FY 2022-23 : Rs. 25051.32 Lakhs FY 2021-22 : NIL FY 2020-21 : NIL</p> <p>Country of presence : India</p> <p>Other significant information: None</p>												

We request you to kindly take the above information on records.

Thanking you,

Yours faithfully,

For Kamdhenu Ventures Limited

Nitin Misra

Company Secretary & Compliance Officer