



# Nilkamal Limited



Head Office : Nilkamal House, 77/78, Road No. 13/14, M.I.D.C., Andheri (East), Mumbai - 400 093, INDIA. Tel. : (91-22) 4235 8888

Material Handling Division : Fax : (91-22) 2836 1923 • E-mail : marketing@nilkamal.com

Furniture Division : Fax : (91-22) 2835 3556 • E-mail : furniture@nilkamal.com

@home Division : Fax : (91-22) 2837 2787 • E-mail : connect@at-home.co.in • Visit us at : www.nilkamal.com • Visit us at : www.at-home.co.in

29<sup>th</sup> October, 2018

## Nilkamal Limited – Press Release on Q2 FY19 Results

Nilkamal Limited today reported its financial performance for the quarter and half year ended 30<sup>th</sup> September, 2018.

### Financial Highlights:

- ❖ Total income up by 7.85% to ₹ 618 crores on q-o-q basis,
- ❖ Plastics business records a volume and value growth of 3% and 7% on q-o-q basis.
- ❖ EBIDT stood at ₹ 53.63 crores.
- ❖ Records PBT of ₹ 36.98 crores and PAT of ₹ 24.89 Crores
- ❖ @home – the retail business achieves turnover of ₹ 55.51 crores, EBIDT of ₹ 1.89 crores and profit of ₹ 1.02 crores.
- ❖ Announces Interim dividend of 40%.

(₹ in Crores)

Particulars	Q2		H1		FY 2018
	FY 2019	FY 2018	FY 2019	FY 2018	
Total Income	618.29	465.68	1185.45	952.29	2115.69
EBIDTA	53.63	58.28	110.36	105.89	239.72
PBT	36.38	42.53	78.38	75.77	178.75
PAT	24.89	27.83	55.60	50.20	117.10
Basic EPS	16.68	18.65	37.26	33.64	78.48
Cash EPS	24.82	27.36	53.49	50.24	111.06

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**Performance of the Company for Q2 FY19.**

With our broad-based business across all the geographies, during H1FY19, the Company posted net sales of ₹ 1185.45 crores vis-à-vis ₹ 952.29 crores in H1FY18, an increase of 24.49%, whereas EBIDT for the period stood at ₹ 110.36 crores as against ₹ 105.89 crores on a y-o-y basis. The Company posted PAT of ₹ 55.60 crores as against ₹ 50.20 crores for H1FY18, up by 10.75%. The plastics division of the Company achieved volume and value growth of 21% and 29% respectively for H1FY19.

During Q2 FY19, the Company has achieved growth in its topline, however the bottomline was affected. The Net sales increased from ₹ 464.69 crores for Q2FY18 to ₹ 613.67 crores for Q2FY19 a rise of 32.06%, thus displaying a volume and value growth of 30% and 35.56% respectively in its plastic business. The major factors for higher volume growth were low base effect arising due to volumes of Q2 FY18 being impacted on account of first time implementation of GST w.e.f. July 01, 2017 coupled with few large orders such as ballot units etc. Whereas the EBIDT recorded by the Company reduced from ₹ 58.28 crores for Q2FY18 to ₹ 53.63 crores for Q2FY19. The PAT for the period stood at ₹ 24.89 crores vis-à-vis ₹ 27.83 crores down by 10.56% for the same period. The major reason for the said decline was the steady increase in the raw material prices since September, 2017 i.e. approximately 21% alongwith increased sales of products with lower margin.

During Q2 FY19, the turnover grew by 7.32% vis-a-vis preceding quarter, whereas the EBIDT recorded for the same period was ₹ 53.63 crores against ₹ 56.72 for Q1 FY19, down by 5.44%. The PAT stood at ₹ 24.89 crores as against ₹ 30.71 crores the Q1 FY19. The plastics business of the Company exhibited a volume growth of 3% and value growth of 7% respectively on q-o-q basis. The increase in raw material cost for the current quarter inched up by 7.83%.

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'@home' - the retail business of the Company recorded turnover of ₹ 55.51 crores for Q2FY19, as compared to ₹ 52.96 crores of the corresponding quarter of the previous year. The said business posted EBIDTA of ₹ 1.89 crores for Q2FY19 vis-à-vis ₹ 2.48 crores of Q2FY18, whereas the profits for H1FY19 stood at ₹ 1.07 crores as compared to ₹ 1.86 crores of H1 FY18. All the @home stores has achieved profits at store level. Further expanding ahead under its new franchise arrangement, the retail business "@home" has opened one more store under the said arrangement at Rajkot.

The mattress business of the Company displayed a sales growth of ₹ 17.20 crores for the quarter under review from ₹ 15.19 crores on y-o-y basis, up by 13.23%, whereas the sales for H1FY19 stood ₹ 33.67 crores as compared to ₹ 26.91 crores of H1 FY18. While the bubble guard business of the Company achieved sales of ₹ 2.60 crores as against ₹ 0.84 crores on y-o-y basis.

Further, the Company has incurred a capital expenditure of ₹ 35.18 crores during Q2FY19, totaling to ₹ 58.69 crores for H1FY19. The Company envisages incurring additional capex of approximately ₹ 80 crores for the second half of FY19.

The Board of Directors has approved a payment of an interim dividend of 40% i.e. ₹ 4.00 per equity share of ₹ 10 each, which shall be paid to all the members whose names appear on the Register of Members as on 6<sup>th</sup> November, 2018.

The Company has been awarded the ISO 8611-1:2011 certification for our Pallets AP & SP series from TUV NORD for its Sinnar Unit in recognition of the constant efforts of the Company towards quality improvement.

### Joint Venture and subsidiaries

Nilkamal Bito Storage Systems Private Limited - the Company's Indo-German Joint Venture recorded turnover of ₹ 59.65 crores for Q2FY19 vis-à-vis ₹ 29.85 crores for Q2 FY18, whereas its Indo - US Joint Venture viz. Cambro Nilkamal Private Limited has maintained its growth trajectory and posted turnover of ₹ 13.55 crores up from ₹ 9.16 on y-o-y basis.

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The Company's subsidiary Company at Ajman, UAE showed satisfactory performance as anticipated by the Company whereas the other subsidiary at Sri Lanka displayed a subdued performance. However, the business of the said joint venture and subsidiary companies is negligible compared to the standalone business of the Company.

### About Nilkamal

Nilkamal Limited is an industry pioneer in the manufacturing business of moulded furniture and material handling products with diversified product profile across various segments along with a diversified customer base including household customers, industrial customers and retail buyers. It is also having its presence in the retail business of lifestyle furniture, furnishings and accessories under its brand '@home' & Nilkamal Mattresses.

### Cautionary Statement

Some of the statements in this communication that are not historical facts are forward looking statements. These statements are based on the present business environment and regulatory framework. Developments that could affect the Company's operations include significant changes in political and economic environment in India, tax laws, import duties, litigation and labour relations. We assume no responsibility for any action taken based on the said information, or to update the same as circumstances change.

FOR NILKAMAL LIMITED

PRITI DAVE

(COMPANY SECRETARY)



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