



Head Office : Nilkamal House, 77/88, 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> January, 2020

Nilkamal Limited – Press Release on Q3 FY20 Results

Nilkamal Limited today reported its financial performance for the third quarter and nine months ended 31<sup>st</sup> December, 2019.

Financial Highlights (Standalone):

- ❖ Achieved revenue of ₹ 522.55 crores down by 7.34% on y-o-y basis.
- ❖ Records EBIDT at ₹ 65.38 crores, up by 25.32 % on y-o-y basis.
- ❖ @home – the retail business achieves turnover of ₹ 61.48 crores, EBIDT of ₹ 4.67 crores.
- ❖ Spurt in E- Commerce sales of ₹ 27.88 Crores, y-o-y growth of 96 %.

(₹ in Crores)

Particulars	Q3		9M		Q2 FY 2020	FY 2019
	FY 2020	FY 2019	FY 2020	FY 2019		
Total Income	522.56	563.94	1589.76	1749.40	541.55	2304.18
EBIDTA	65.38	52.17	212.57	162.52	74.43	224.12
PBT	37.04	35.68	129.43	114.06	46.24	158.68
PAT	27.62	27.50	100.78	83.09	43.14	111.23
Basic EPS	18.51	18.43	67.54	55.68	28.91	74.54
Cash EPS	33.43	26.75	111.06	80.25	43.77	107.81

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The Company has adopted Ind AS 116 – “Leases”, with effect from 1<sup>st</sup> April, 2019, using the modified retrospective method. Consequently, lease rental paid is now recognized as depreciation for the right of use assets and finance costs for interest accrued on lease liability. The adoption of this standard did not have any material impact on the profit for the period.

Reconciliation for the above effect on statement of profit and loss for the current period 31<sup>st</sup> December, 2019 as follows: -

(₹ in Crores)

Adjustment to increase / (decrease) in net profit	Quarter ended 31/12/2019			Nine months ended 30/09/2019		
	Comparable Basis amount	Changes due to IND AS 116 Increase /(decrease)	Amount as reported	Comparable Basis amount	Changes due to IND AS 116 Increase /(decrease)	Amount as reported
Other expenses	143.44	(9.61)	133.82	400.25	(29.54)	371.71
Finance costs	3.20	2.88	6.07	9.04	8.95	17.99
Depreciation	14.70	7.55	22.26	42.67	22.46	65.14
Profit before tax	37.85	(0.81)	37.04	132.32	(2.88)	129.43

During Q3 FY20, the Company posted total income of ₹ 524.93 crores vis-à-vis ₹ 565.93 crores of Q3 FY19, thus depicting a volume and value de-growth of 5% and 7.24% respectively. The primary reason for the said de-growth in the non - consumer facing business is due to prevalent economic conditions. Apart from this the absence of one-time order which resulted in de-growth of 3.72% of the sales for Q3 FY20 and increased advertisement and sales promotion cost resulted into EBIDTA of ₹ 65.38 crores as against ₹ 52.17 crores and PBT of ₹ 37.04 crores vis-à-vis ₹ 35.68 crores of Q3 FY19.

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‘@home’ - the retail business of the Company recorded turnover of ₹ 61.48 crores for Q3FY20, as compared to ₹ 57.95 crores for Q3FY19, including the E- Commerce sales which stood at ₹ 12.76 Crores as compared to ₹ 7.41 crores in Q3FY19 up by 72%, whereas the E- Commerce sales during nine months stood at ₹ 34.63 crores vis-à-vis ₹ 18.10 crores up by 91%. The said business posted EBIDTA of ₹ 4.67 crores for Q3FY20 vis-à-vis ₹ 2.56 crores of Q3FY19. During the quarter, two @home store became operational under franchisee arrangement situated at Salem in the state of Tamil Nadu & Bangalore in the state of Karnataka totaling to 6 franchisee stores till date. With this the total stores in operation under the brand name @home stands at 24. Further three franchisee stores shall become operational during Q4FY20.

The Mattress business of the Company achieved a sales of ₹ 18.71 crores for the quarter under review whereas the sales achieved during nine months is ₹ 52 crores. While the bubble guard business of the Company achieved sales of ₹ 3.66 crores during Q3FY20.

Capex spends of the Company for Q3 FY20 stood at ₹ 31.08 crores, totaling to ₹ 76.83 crores for nine months ended 31<sup>st</sup> December, 2019.

The Company has been awarded the Indian Manufacturing Excellence Award “Gold Certificate” from Frost and Sullivan for its Hosur manufacturing unit for the year 2019 for manufacturing excellence.

The Company has received reaffirmation of its credit ratings at same levels i.e. “Care AA” for its long-term bank facilities (fund based & term loan) and “Care A1+” for its short term bank facilities (non-fund based) from CARE.

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## **Consolidated results**

[Including results of (a) Company's subsidiary Nilkamal Storage Systems Private Limited (formerly known as Nilkamal Bito Storage Systems Private Limited), Nilkamal Eswaran Plastics Private Limited & Nilkamal Eswaran Marketing Private Limited at Sri Lanka and Nilkamal Crates and Bins FZE at Ajman and Nilkamal Foundation (a Section 8 Company) at India; (b) Cambro Nilkamal Private Limited at India, Joint Venture Company]

Nilkamal Storage Systems Private Limited (formerly known as Nilkamal Bito Storage Systems Private Limited) - the Company's wholly owned Indian subsidiary recorded turnover of ₹ 48.23 crores for Q3 FY20 vis-à-vis ₹ 43.78 crores for Q3 FY19. The Company's subsidiary Company at Sri Lanka and Ajman, UAE showed satisfactory performance as anticipated by the Company. Further Cambro Nilkamal Private Limited- the Company's US Joint Venture has recorded a turnover of ₹ 17.18 crores during Q3 FY20 vis-à-vis ₹ 15.24 for Q3FY19. However, the business of the said joint venture and subsidiary companies is negligible as compared to the standalone business of the Company.

On 16<sup>th</sup> January, 2020, Nilkamal Eswaran Plastics Private Limited, Sri Lanka (NEPPL), the subsidiary of the Company has completed the buyback of its equity shares from its other existing shareholders, subsequent to which the percentage of shareholding of the Company in its Subsidiary has increased from 76.00 % to 96.28 %.

## **About Nilkamal**

Nilkamal Limited is an industry pioneer in the manufacturing business of 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 Mattress, BubbleGuard and retail business of lifestyle furniture, furnishings and accessories.

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**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 etc.. 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)**