

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

Date: 28-06-2020

Ref: BOD/JUNE202020

To,
The Secretary
BSE Limited,
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai-400 001.

To,
The Secretary
National Stock Exchange of India Limited,
Exchange Plaza, 5th Floor, Plot No. C/1, G
Block, Bandra Kurla Complex, Bandra East,
Mumbai-400 051.

SCRIPT CODE : 523385

SYMBOL : NILKAMAL

Sub: Press Release on Results for the fourth quarter and year ended 31st March, 2020.

Ref: Regulation 30 and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

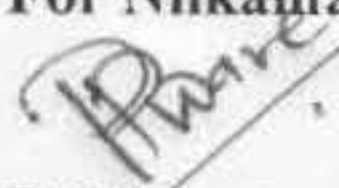
Dear Sirs,

In continuation to our submission for the outcome of the Board Meeting held today, please find enclosed herewith Press release pursuant to Regulation 30 and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on results for the fourth quarter and year ended 31st March, 2020.

You are requested to take the same on records pursuant to Regulations 30 & 33 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Thanking you,

Yours faithfully,
For Nilkamal Limited


Priti Dave
(Company Secretary)
Encl: a.a.



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28th June, 2020

Nilkamal Limited – Press Release on FY20 Results

Nilkamal Limited announces Audited Standalone & Consolidated Financial Results for the quarter and year ended 31st March, 2020.

Financial Highlights (Standalone):

- ❖ Revenue stood at ₹ 2081.47 crores.
- ❖ Plastics business registered volume and value de - growth of 11% and 12% on y-o-y basis.
- ❖ Records EBIDT of ₹ 274 crores for FY20, up by 22.46% and PAT of ₹ 122 up by 9.91% on y-o-y basis.
- ❖ @home - the retail business of the Company recorded sales of ₹ 215 crores.
- ❖ Spurt in E- Commerce sales to ₹ 84.70 Crores, resulting in y-o-y growth of 77%.

(₹ in Crores)

PARTICULARS	FINANCIAL HIGHLIGHTS					
	STANDALONE				CONSOLIDATED	
	Annual		Q4		Annual	
	FY 19-20	FY 18-19	FY 19-20	FY 18-19	FY 19-20	FY 18-19
Net Sales	2,081	2,304	492	555	2257	2362
PAT	122	111	21	28	142	118
Basic EPS (₹)	82	75	14.23	19	95	79
Cash EPS (₹)	142	108	31	28	159	113
Book Value	639	593			692	631

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The Company has adopted Ind AS 116 – “Leases”, with effect from 1st 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 31st March, 2020 as follows: -

(₹ in Crores)

Adjustment to increase / (decrease) in net profit	Quarter ended 31/03/2020			Current year ended 31/03/2020		
	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	141.35	(13.03)	128.32	541.60	(41.57)	500.03
Finance costs	3.09	4.65	7.74	12.13	13.60	25.73
Depreciation	14.51	10.86	25.37	57.18	33.33	90.51
Other income	3.23	0.36	3.60	10.53	0.36	10.89
Profit before tax	30.89	(2.12)	28.77	163.20	(4.99)	158.20

COVID-19 update:

World Health Organisation declared outbreak of Coronavirus Disease (COVID-19) a global pandemic, consequent to which, Government of India declared lockdown on March 23, 2020 due to which the Company temporarily suspended all its operations i.e. manufacturing facilities, retail stores, depots, warehouses, regional offices and corporate office. This has affected the normal business operations of the Company by way of interruption in production, supply chain disruption, closure/lock down of production facilities etc.. In the month of April 2020 the Company was permitted to start its operation at one of its manufacturing facility. Later, during May 2020, permissions was received for dispatch of different product categories in which the Company operates on case to case basis for few of its manufacturing facilities and depots. While since June 2020, the Company has commenced operation at most of the locations.

Due to the above, the performance of the Company during Q1 FY21 shall be affected adversely and expects to normalize gradually towards the end of the calendar year. However due to

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extensive distribution network, direct connect with industrial customers, manufacturing of quality products and seamless costumer service alongwith renewed focus on working capital management will enable the Company to not only overcome this crisis but also help it to strengthen its leadership position in Material Handling as well as Furniture Business.

Further during the said lockdown the Company could take advantage of the recently started manufacturing facility of metal furniture at Hosur and developed Isolation Beds, Quarantine Beds, Storage Lockers and more solutions. The Company has so far supplied more than 5000 pieces of the said products to several hospitals across India.

Standalone results

Performance of the Company for Q4 FY20

As against the expected growth, the total shutdown of business activities during the second half of March,2020, resulted in volume and value de-growth of 11% and 13% respectively for plastic business, while the @ home business dropped by 10% resulting into fall of revenue of the Company from ₹ 555 crores in Q4 FY19 to ₹ 492 crores in Q4 FY20. Further, the profit after tax stood at ₹ 21.23 crores during Q4FY20 as against ₹ 28.14 crores of the Q4 FY19.

Performance of the Company for FY20

The Company had incurred a de-growth of 12% during the first nine months of FY20 and as expected had started recovering the substantial part of it during Q4 FY20, but the total lockdown situation resulted in achieving of sales of ₹ 2,081 crores during FY20 as against ₹ 2,304 crores for FY19. But inspite of lower sales the profit before tax remained flat at ₹ 158 crores with adoption of lower rate of tax which resulted in achieving profit after tax of ₹ 122 crores as against ₹ 111 crores for FY19.

The borrowings for the FY20 stood at ₹ 66.92 crores resulting in a Debt-Equity ratio of 0.07. The average cost of funds during the FY20 increased from 8.17% to 8.38%.

During the year, your Company has declared two interim dividend, the first interim dividend of ₹ 5 per equity share of ₹ 10 each for FY20 and second interim dividend of ₹ 10 per equity share

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of ₹ 10 each for FY20, thus making an aggregate dividend of ₹ 15 per equity share for FY20 against total dividend of Rs.13/- per share given in FY19. The Board has not recommended any further Dividend on Equity Shares.

Performance of the retail and other businesses

The Company's retail business under the brand name '@home' achieved sales of ₹ 215 crores in FY20 as against ₹ 211 crores during FY19. The impact of adoption of Accounting Standard on "Lease", loss of sales during lockdown period of March,2020 alongwith increased operational expenses resulted into loss of ₹ 7.81crores as against profit of ₹ 1.26 crores in FY19.

During FY20, the mattress business of the Company achieved a sales of ₹ 70 crores as against ₹ 69 crores during FY19. In order to establish the said brand the Company had incurred advertisement expenditure by way of print and television media and has also introduced several varieties of Mattresses across all price range.

The Company's bubble-guard business showed a double-digit growth of 29% thus achieving sales of ₹ 16.34 crores as against sales of ₹ 12.63 crores in the FY19. During the lock down period the Company has also launched innovative Bubble Guard products like Travel Guard (Transport), Virus Guard (for office, cafeteria, Education) and patient bed, to help the fight against Covid-19.

Capital Expenditure

During FY20, the Company has incurred Capex of ₹ 102.18 crores which has been majorly utilized towards addition of injection and rotational moulding machines, dies & moulds, factory building, office and factory equipment, furniture and fixtures, electrical installations etc.

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

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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]

The Consolidated revenue stood at ₹ 2,257 crores against ₹ 2,362 crore of previous year resulting into de-growth of 4.5%, while it has achieved growth of 21% in profit after tax i.e from ₹ 117.69 crore to ₹142.43 crores.

During the year, your Company achieved an important milestone for racking business by acquiring balance 50% stake in Nilkamal Storage Systems Private Limited (Formerly known as Nilkamal Bito Storage Systems Private Limited) from its Joint venture Partner BITO Lagertechnik Bittmann GmbH- Germany. Nilkamal Storage Systems Private Limited (NSSPL) now stands as the wholly owned subsidiary of the Company. The Subsidiary Company has achieved sales of ₹ 213.95 crores as against ₹ 190.23 crores in FY 2019 and has recorded profit after tax of ₹ 14.94 crores as against ₹ 6.32 crores in FY19.

Further, on completion of buy back of equity shares by Company's Srilankan Subsidiary i.e Nilkamal Eswaran Plastics Private Limited (NEPPL) to the extent of 21.06% of equity of Joint Venture partner, Nilkamal's stake in the said subsidiary increased from 76% to 96.28%.

The Company's subsidiary Companies viz Nilkamal Eswaran Plastics Private Limited (NEPPL) and Nilkamal Eswaran Marketing Private Limited at Srilanka, Nilkamal Crates and Bins FZE at Ajman, UAE and Indo - US Joint Venture Company has exhibited subdued performance during the year.

Awards and Certifications

During the year under review, the Company was awarded the "Asia's most trusted brand Awards 2019" by IBC InfoMedia Pvt. Ltd, a division of International Brand Consulting Corporation, USA for its furniture business. The Company's Puducherry unit was awarded with the "Green Co Silver, 2019" by Confederation of Indian Industry (CII) - Shorabji Godrej Green Business Centre. The Company has also received "India Manufacturing Excellence Award 2019" issued by Frost and Sullivans for its Hosur Unit, which certifies the enhanced Manufacturing and supply chain Excellence.

The Company has obtained ISO-5000 1:2011 TUV- SUD, Mumbai certification for all its units for Design & Manufacturing of Injection and Roto Moulded Crates, Furniture, Pallets, Custom

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Moulding and Customised Plastics Fabrication and welding of Crates. The Company's unit at Hosur has obtained ISO 45001: 2018 from TUV SUD South Asia Private Limited for its implementation of health and safety management system. Lastly, The Company's Metal- Plant at Hosur was also honoured 2nd position in the POKE-YOKE (Mistake Proofing) competition organised by Confederation of Indian Industry (CII), Institute of Quality at Pune.


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 retail business of lifestyle furniture, furnishings and accessories under its brand '@home'.

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.

Thanking You,
Yours Faithfully,
For Nilkamal Limited


Priti Dave
Company Secretary

