



NIKHIL ADHESIVES LIMITED

An ISO 9001 : 2015 Certified Company

Head Office / Regd. Office : 315, The Summit Business Bay, Opp. Cinemax,
Andheri-Kurla Road, Andheri (East), Mumbai - 400 093.

Tel.: (91) 022 - 2683 6564 / 2683 6558 / 2683 6559 • E-mail : bala@nikhiladhesives.com

Website : www.nikhiladhesives.com • CIN : L51900MH1986PLC041062



14th November, 2019

To,
The Manager- Listing Department
Bombay Stock Exchange Ltd
Phiroze Jeejeebhoy Towers
Dalal Street,
Fort, Mumbai-400 001.

BSE Scrip Code No 526159

Dear Sir(s)/Madam(s),

Sub: Outcome of Board Meeting

The Meeting of the Board of Directors held on 14th November, 2019 at 5.30 p.m. and concluded on 11.35 p.m., considered and approved the following:

1. The Unaudited Financial Result for the quarter and half year ended on 31st September, 2019;
2. The Limited Review Report of the Statutory Auditor for the same.

Kindly take the above information on your record.

Thanking you,

Yours faithfully,

For, Nikhil Adhesives Limited


Umesh J Sanghavi
Managing Director
DIN No.00491220



**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM
STANDALONE FINANCIAL RESULTS**

**To,
The Board of Directors
Nikhil Adhesives Limited**

1. We have reviewed the accompanying statement of unaudited financial results of **Nikhil Adhesives Limited** for the quarter and six months ended September 30, 2019 ("the Statement").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' ("IND AS 34") prescribed under Section 133 of Companies Act 2013, as amended, read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial statements based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For PHD & Associates

Chartered Accountants

Firm Registration No. 111236W

Paresh Vakharia

Partner

Membership No.: 38220

Place: Mumbai

Date: 14.11.2019

UDIN : **19038220AAAACX2544**





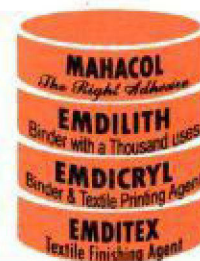
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STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEP, 2019

(Rs. In Lacs)

Sr. No.	Particulars	Quarter Ended			Six Months Ended		Year ended
		30.09.2019 (Unaudited)	30.06.2019 (Unaudited)	30.09.2018 (Unaudited)	30.09.2019 (Unaudited)	30.09.2018 (Unaudited)	31.03.2019 (Audited)
1	INCOME						
	Revenue from Operations	10041.84	10552.79	11213.58	20594.63	21347.14	44622.48
	Other Income	45.08	27.71	40.71	72.80	43.57	86.47
	Total Income from operations	10086.92	10580.50	11254.30	20667.43	21390.71	44708.95
2	EXPENSES						
	Cost of Materials Consumed	5955.54	6580.78	7613.05	12536.32	14357.93	28056.62
	Purchases of Stock-in-Trade	2452.08	2721.87	2331.06	5173.95	4508.97	11205.38
	Changes in Inventories of Finished goods and Stock-in-Trade	(7.36)	(191.82)	(13.11)	(199.19)	(181.33)	(51.88)
	Employee Benefits Expenses	308.15	259.73	236.89	567.88	467.59	976.95
	Finance Costs	227.90	222.57	185.80	452.94	335.43	793.84
	Depreciation and Amortisation Expense	60.56	64.25	45.53	131.72	88.25	207.22
	Other Expenses	845.53	707.78	731.61	1543.94	1510.14	2777.62
	Total Expenses	9842.39	10365.16	11130.83	20207.56	21086.98	43965.76
3	Profit/(loss) before exceptional items and tax (1-2)	244.52	215.34	123.47	459.87	303.73	743.18
4	Exceptional Items	0.00	0.00	0.00	0.00	0.00	
5	Profit/(loss) before tax (3-4)	244.52	215.34	123.47	459.87	303.73	743.19
	Tax expenses						
	(a) Current tax	52.48	69.00	24.00	121.48	80.00	197.00
	Less : MAT Credit set off		0.00	0.00	0.00	0.00	0.00
	(b) Tax adjustment for earlier year	(14.48)	0.00	(9.58)	(14.48)	(9.58)	(30.02)
	(c) Deferred tax	(22.48)	3.74	21.99	(18.74)	17.90	57.74
6	Total Tax Expense	15.52	72.74	36.41	88.26	88.32	221.72
7	Profit for the period (5-6)	229.01	142.60	87.05	371.61	215.41	521.47
	Other Comprehensive Income						
	Item that will not be reclassified to profit or loss		0.00	1.13	0.00	0.88	0.00
	Change in fair value of financial assets	(0.57)	(0.14)	0.00	(0.21)	0.00	(0.57)
	Remeasurement of defined benefit plans	(16.22)	(3.25)	0.00	(16.90)	0.00	(15.07)
	Tax Effect of above	0.00	1.08	0.00	4.25	0.00	5.03
	Remeasurement of defined benefit plans (Net of Tax)	(16.22)	(2.17)		(12.64)	0.00	(10.04)
8	Total Other Comprehensive Income	(16.79)	(2.31)	1.13	(12.86)	0.88	(10.61)
9	Total Comprehensive Income (7+8)	212.22	140.29	88.18	358.75	216.29	510.86
10	Paid-up Equity Share Capital (Face value of Rs. 10/- per share)	460.50	460.50	460.50	460.50	460.50	460.50
11	Other Equity	3844.09	3639.47		3844.09		3498.57
12	Basic and Diluted Earnings Per Share (EPS) in Rs.	4.61	3.05	1.91	7.79	4.70	11.09

[Signature]



Unit I : Shreeji Estate, College Rd., Vadkun, Dahanu - 401 602. Maharashtra • Tel.: (02528) - 224463 / 093204 35588 • Fax : (02528) 226195

Unit II : 7A / B, Govt. Industrial Estate, Dist. Piparia, Silvassa - 396 230. D & N. H. • Tel.: (91) 0260 - 2640055, 093747 06309

Unit III : Plot No.D - 2 / CH / 49, GIDC Industrial Estate, Industrial Phase - II, Dahej - 392 130. Tal. Vagra, Dist - Bharuch, Gujarat.

**Notes :**

- 1 The above results were reviewed by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on September 14, 2019 and subjected to a limited review by the Statutory Auditors of the Company.
- 2 The above results are in compliance with Indian Accounting Standards (IND AS) notified by the Ministry of Corporate Affairs.
- 3 The Company has chosen to exercise the option of lower tax rate of 25.17% (inclusive of surcharge and cess) under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance 2019. The full impact of this change has been recognized in tax expense for the quarter and six months ended 30th September, 2019. This has resulted in reversal of current tax of Rs.14,47,737/- and deferred tax expense expense of Rs.91,949/- accrued in the quarter ended 30th June, 2019.
- 4 The Ministry of Corporate Affairs has notified Indian Accounting Standard 116 ('Ind AS 116') Leases, with effect from 1st April 2019. The Standard primarily requires the Company, as a lessee, to recognize, at the commencement of the lease a right to use asset and a lease liability (representing present value of unpaid lease payments). Such right to use assets are subsequently depreciated and the lease liability reduced when paid, with the interest on the lease liability being recognized as finance cost. The Company has elected to apply this Standard to its leases retrospectively and the cumulative effect of the retrospective application of the Standard has been adjusted to the opening balance of retained earnings.
Further, the net assets and net liabilities as at 31st March 2019 have increased by Rs.85,25,129/- and Rs.98,26,680/- respectively. The net impact of adopting this Standard on the profit for the reported periods and the previous year, and on the earnings per share, is not material.
- 5 The details of foreign exchange gains/ (loss) for the comparative quarters / half year details are as under:

Particulars	₹ Lakhs					
	Quarter Ended			Six Months Ended		Year Ended
	30/09/2019	30/06/2019	30/09/2018	30/09/2019	30/09/2018	31/03/2019
Foreign Exchange Gain / (Loss)	16.76	(142.08)	(163.69)	1.23	(305.76)	38.62

For Nikhil Adhesives Limited

For Identification Purpose Only


(Umesh J. Sanghavi)
DIN: 00491220
Managing Director

Date : 14th Nov, 2019
Place : Mumbai



NIKHIL ADHESIVES LIMITED

CONTINUATION SHEET

SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE QUARTER & HALF YEAR ENDED 30TH SEP'2019

(Rs. In Lacs)

PARTICULARS	Quarter Ended			Six Months Ended		Year ended
	30.09.2019 (Unaudited)	30.06.2019 (Unaudited)	30.09.2018 (Unaudited)	30.09.2019 (Unaudited)	30.09.2018 (Unaudited)	31.03.2019 (Audited)
1 SEGMENT REVENUE						
(a) Manufacturing of Adhesives & Emulsions	7,463.31	7,858.23	8,300.48	15,321.54	16,148.25	33,158.8
(b) Trading in chemicals & Others	2,578.53	2,694.56	2,913.11	5,273.09	5,198.89	11,463.6
(c) Unallocable	-	-	-	-	-	-
Total						
NET SALES / INCOME FROM OPERATIONS	10,041.84	10,552.79	11,213.59	20,594.63	21,347.14	44,622.4
2 SEGMENT RESULTS PROFIT - PBIT						
(a) Manufacturing of Adhesives & Emulsions	441.34	542.65	425.13	983.99	843.00	1,598.9
(b) Trading in chemicals & Others	42.65	-68.98	75.58	-26.33	193.82	202.8
(c) Unallocable	-	-	-	-	-	-
Total	483.99	473.67	500.72	957.66	1,036.82	1,801.8
Less: (i) Interest & Financial Charges (Net)	232.84	220.10	185.64	452.94	335.41	793.8
(ii) Other Unallocable Expenditure net off	7.23	37.63	191.59	44.86	397.67	264.7
Unallocable Income						
TOTAL PROFIT BEFORE TAX	243.93	215.94	123.48	459.87	303.73	743.1
3 CAPITAL EMPLOYED						
(Segment Assets - Segment Liabilities)						
(a) Manufacturing of Adhesives & Emulsions	3,810.42	3,438.59	3,238.43	3,810.42	3,238.43	3,228.2
(b) Trading in chemicals & Others	494.17	661.38	479.70	494.17	479.70	721.7
(c) Unallocable	-	-	-	-	-	-
TOTAL	4,304.60	4,099.97	3,718.13	4,304.60	3,718.13	3,949.9





STANDALONE UNAUDITED STATEMENT OF ASSETS AND LIABILITIES AS AT 30.09.2019

Rs in lakhs

Particulars	As at September 30, 2019	As at March 31, 2019
ASSETS		
Non-current assets		
(a) Property, plant and equipment	4,264.57	3,698.68
(b) Capital work-in-progress	133.14	47.05
(c) Intangible assets	-	-
(d) Financial assets		
(i) Investments	4.77	5.13
(ii) Other non-current financial assets	41.75	45.09
(e) Other non-current assets	249.32	152.83
Total non current assets	4,693.55	3,948.78
Current assets		
(a) Inventories	3,857.35	4,004.44
(b) Financial assets		
(i) Trade receivables	8,462.26	9,661.85
(ii) Cash and cash equivalents	71.62	112.45
(iii) Bank balances other than above	92.91	224.71
(iv) Other current financial assets	-	-
(c) Current tax assets (Net)	95.51	160.17
(d) Other current assets	701.72	533.18
Total Current Assets	13,281.37	14,696.80
TOTAL ASSETS	17,974.92	18,645.58
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	460.50	460.50
(b) Other equity	3,844.09	3,498.57
Total equity	4,304.59	3,959.07
Liabilities		
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	1,215.33	1,527.64
(ii) Other non-current financial liabilities	122.85	48.11
(b) Provisions	55.18	35.39
(c) Deferred tax liabilities (Net)	292.60	315.54
Total non-current liabilities	1,685.96	1,926.68
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	168.15	1,370.65
(ii) Trade payables	9,697.82	9,786.51
(iii) Other current financial liabilities	1,217.81	966.00
(b) Other current liabilities	747.86	396.42
(c) Provisions	41.59	38.40
(d) Current tax liabilities (Net)	111.14	201.86
Total current liabilities	11,984.37	12,759.84
TOTAL EQUITY AND LIABILITIES	17,974.92	18,645.58



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NIKHIL ADHESIVES LIMITED

CONTINUATION SHEET

CASH FLOW STATEMENT FOR THE PERIOD ENDED SEPTEMBER 30, 2019

RUPEES

Particulars	For the period ended September 30, 2019		For the period ended September 30, 2018	
A. Cash flow from operating activities				
Profit Before Tax and Other Comprehensive Income		45,965,238		30,372,596
Non-cash and not operating adjustments				
Depreciation and Amortisation expense	13,172,277		8,825,405	
Allowance for expected credit loss	(807,966)		1,417,054	
Provision for Gratuity	609,162		1,050,000	
Finance Costs	45,293,530		33,543,399	
Interest Income	(6,248,739)		(3,803,067)	
Sales tax deferral adjustment	158,836	52,177,100	139,165	41,171,956
		98,142,338		71,544,552
Changes in Working Capital				
Decrease/(increase) in Trade Receivables	120,856,197		(98,102,679)	
Decrease/(increase) in Inventories	14,709,007		16,909,364	
Increase/(decrease) in Trade Payables	(8,869,250)		(115,551,602)	
Decrease/(Increase) in Other Non-current Financial Assets	58,601		(95,982)	
Decrease/(increase) in Other Non-current Assets	-		248,264	
Decrease/(increase) in Other Current Assets	(16,853,486)		(3,270,440)	
Increase/(decrease) in Other Current Financial Liabilities	13,429,257		27,044,583	
Increase/(decrease) in Other Current Liabilities	35,143,996	158,474,323	12,724,853	(160,093,639)
Cash Generated from Operations		256,616,660		(38,549,087)
Direct taxes paid (net of refunds)		(13,306,154)		(6,215,337)
Net cash flow from Operating Activities		243,310,506		(94,764,423)
B. Cash flow from Investing Activities				
Payments for acquisition of Property, Plant and Equipment (net)	(80,877,317)	(80,877,317)	(25,449,231)	(25,449,231)
Net Cash Flow from/(used in) Investing Activities (B)		(80,877,317)		(25,449,231)
C. Cash Flows from Financial Activities				
Proceeds / (Repayment) of long term borrowings (Net)	(31,389,549)		(10,159,174)	
Proceeds / (Repayment) of short term borrowings (Net)	(107,621,693)		151,561,589	
Interest Income	6,248,739		3,803,067	
Term Deposits with Banks (Net)	13,472,578		3,745,984	
Finance Costs	(47,226,339)	(166,516,263)	(33,197,703)	115,753,763
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)		(4,083,074)		(4,459,871)
Cash and Cash Equivalents at the beginning of the year		11,244,805		11,821,284
Cash and Cash equivalents at the end of the period		7,161,731		7,361,393

Notes:

Cash and Cash Equivalents are as under:

Particulars	As at 30 September 2019	As at 30 September 2018
Cash in hand	5,936,053	1,352,009
Balances with banks	1,225,678	6,009,384
	7,161,731	7,361,393

The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Indian Accounting Standard 7- Statement of Cash Flow.

For Nikhil Adhesives Limited

(Umesh J. Sanghavi)

DIN: 00491220

Managing Director