



# 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



13<sup>th</sup> November, 2020

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 Friday, 13<sup>th</sup> November, 2020 at 3.00 p.m. and concluded on 5.20 p.m. considered and approved the following:

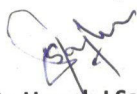
1. The Unaudited Financial Result for the quarter and six months ended on 30<sup>th</sup> September, 2020;
2. The Limited Review Report of the Statutory Auditor for the same.
3. Considered and approved the re-appointment of Mr. Umesh Sanghavi (DIN: 00491220) as a Managing Director, Mr. Tarak Sanghavi (DIN:00519403) as a Whole Time Director, and Mr. Rajendra Sanghavi (DIN: 00245637) as a Whole Time Director for a term of 3 years. Whose term of offices for the above position expires on 31<sup>st</sup> December, 2020. This re-appointment will be subject to the approval of shareholders in the ensuing Annual General Meeting of the company;

Kindly take the above information on your record.

Thanking you,

Yours faithfully,

For, Nikhil Adhesives Limited

  
Mr. Umesh J Sanghavi  
Managing Director  
DIN No.00491220



Independent Auditor's Limited Review Report on the Quarterly and Year to Date Unaudited Standalone Financial Results of the Company Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

**REVIEW REPORT TO  
TO THE BOARD OF DIRECTORS OF  
NIKHIL ADHESIVES LIMITED**

1. We have reviewed the accompanying statement of unaudited standalone financial results of **Nikhil Adhesives Limited** ('the Company') for the quarter ended September 30, 2020 and year to date from April 01, 2020 to September 30, 2020 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations")
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (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 Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical procedures and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.




4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with recognition and measurement principles laid down in aforesaid applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, read with relevant rules issued there under and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended 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: 13 November 2020

UDIN: **20038220AAAACC9777**





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## STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30th SEPTEMBER 2020

(Rs. in Lacs)

Sr. No.	Particulars	Quarter Ended			Six Months Ended		Year ended
		30.09.2020 (Unaudited)	30.06.2020 (Unaudited)	30.09.2019 (Unaudited)	30.09.2020 (Unaudited)	30.09.2019 (Unaudited)	31.03.2020 (Audited)
1	<b>INCOME</b>						
	Revenue from Operations	10,641.49	2,958.51	10,041.84	13,600.00	20,594.63	42,170.92
	Other Income	1.97	-	45.08	1.97	72.80	75.19
	<b>Total Income from operations</b>	<b>10,643.46</b>	<b>2,958.51</b>	<b>10,086.92</b>	<b>13,601.97</b>	<b>20,667.43</b>	<b>42,246.11</b>
2	<b>EXPENSES</b>						
	Cost of Materials Consumed	5,999.79	1,788.09	5,955.54	7,787.88	12,536.32	24,227.57
	Purchases of Stock-in-Trade	2,822.19	309.02	2,452.08	3,131.21	5,173.95	11,618.23
	Changes in Inventories of Finished goods and Stock-in-Trade	118.77	263.35	(7.36)	382.12	(199.19)	(377.46)
	Employee Benefits Expenses	279.27	274.09	308.15	553.36	567.88	1,177.51
	Finance Costs	153.46	161.33	230.37	314.79	452.94	783.04
	Depreciation and Amortisation Expense	86.73	79.23	67.47	165.96	131.72	287.85
	Other Expenses	773.42	403.14	836.16	1,176.56	1,543.94	3,614.75
	<b>Total Expenses</b>	<b>10,233.63</b>	<b>3,278.25</b>	<b>9,842.40</b>	<b>13,511.88</b>	<b>20,207.56</b>	<b>41,331.49</b>
3	<b>Profit/(loss) before exceptional items and tax (1-2)</b>	<b>409.83</b>	<b>(319.74)</b>	<b>244.52</b>	<b>90.09</b>	<b>459.87</b>	<b>914.62</b>
4	Exceptional Items	-	-	-	-	-	-
5	<b>Profit/(loss) before tax (3-4)</b>	<b>409.83</b>	<b>(319.74)</b>	<b>244.52</b>	<b>90.09</b>	<b>459.87</b>	<b>914.62</b>
	<b>Tax expenses</b>						
	(a) Current tax	-	-	52.48	-	121.48	207.00
	Less : MAT Credit set off	-	-	-	-	-	-
	(b) Tax adjustment for earlier year	-	-	(14.48)	-	(14.48)	-
	(c) Deferred tax	103.95	(84.44)	(22.48)	19.51	(18.74)	5.34
6	<b>Total Tax Expense</b>	<b>103.95</b>	<b>(84.44)</b>	<b>15.52</b>	<b>19.51</b>	<b>88.26</b>	<b>212.34</b>
7	<b>Profit for the period (5-6)</b>	<b>305.88</b>	<b>(235.30)</b>	<b>229.00</b>	<b>70.58</b>	<b>371.61</b>	<b>702.28</b>
	<b>Other Comprehensive Income</b>						
	Items that will not be reclassified to profit or loss						
	Change in fair value of financial assets	0.85	0.70	(0.57)	1.55	(0.21)	(1.16)
	Remeasurement of defined benefit plans	1.18	2.00	(16.22)	3.18	(16.90)	(28.01)
	Tax Effect on (ii) above	(0.30)	(0.50)	-	(0.80)	4.25	7.05
	Remeasurement of defined benefit plans (Net of Tax)	0.88	1.50	(16.22)	2.38	(12.65)	(20.96)
8	<b>Total Other Comprehensive Income</b>	<b>1.73</b>	<b>2.20</b>	<b>(16.79)</b>	<b>3.93</b>	<b>(12.86)</b>	<b>(22.12)</b>
9	<b>Total Comprehensive Income (7+8)</b>	<b>307.61</b>	<b>(233.10)</b>	<b>212.21</b>	<b>74.51</b>	<b>358.75</b>	<b>680.16</b>
10	<b>Paid-up Equity Share Capital (Face value of Rs. 10/- per share)</b>	<b>459.43</b>	<b>459.43</b>	<b>459.43</b>	<b>459.43</b>	<b>459.43</b>	<b>459.43</b>
11	<b>Other Equity</b>			<b>3639.47</b>		<b>3,844.09</b>	<b>4,114.00</b>
12	<b>Basic and Diluted Earnings Per Share (EPS) in Rs. (Not annualized for the quarterly periods)</b>	<b>6.66</b>	<b>(5.12)</b>	<b>4.98</b>	<b>1.54</b>	<b>8.09</b>	<b>15.29</b>

See accompanying notes to the financial results

For Nikhil Adhesives Limited

(Umesh J. Sanghavi)  
DIN: 00491220  
Managing Director  
Date : 13th November, 2020  
Place : Mumbai





# NIKHIL ADHESIVES LIMITED

**Notes :**

- 1 The standalone financial results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on November 13, 2020 and subjected to a limited review by the Statutory Auditors of the Company.
- 2 The financial results of the Company have been prepared in accordance with Indian Accounting Standards (IND AS) notified under Section 133 of the Companies Act 2013 (the Act) read with Companies (Indian Accounting Standards), Rules, 2015 as amended.
- 3 The financial results for the half year ended 30.09.2020 has been adversely impacted due to curtailed business operations during April 20 to June 20 caused by the outbreak of COVID-19 pandemic and consequential lockdown. However, for the subsequent period, the business operations of the company have nearly normalised. Barring unforeseen circumstances, the normalcy of the business operations is likely to be maintained.
- 4 Previous periods' figures are regrouped to make them comparable with those of current period wherever applicable.
- 5 The details of foreign exchange gains/ (loss) for the comparative quarters / year details are as under:

Particulars	Quarter Ended			Half Year Ended		Year Ended
	30.09.2020 (Unaudited)	30.06.2020 (Unaudited)	30.09.2019 (Unaudited)	30.09.2020 (Unaudited)	31.09.2019 (Unaudited)	31.03.2020 (Audited)
Foreign Exchange Gain / (Loss)	83.33	12.44	16.76	95.77	1.23	(248.29)

- 6 Segment Result, Statement of assets and liabilities and cash flow statement are attached herewith.

For Nikhil Adhesives Limited

(Umesh J. Sanghavi)  
DIN: 00491220  
Managing Director



Date : 13th November, 2020  
Place : Mumbai



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# NIKHIL ADHESIVES LIMITED

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## STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEP, 2020

(Rs. In Lacs)

PARTICULARS	Quarter Ended			Six Months Ended		Year ended
	30.09.2020 (Unaudited)	30.06.2020 (Unaudited)	30.09.2019 (Unaudited)	30.09.2020 (Unaudited)	30.09.2019 (Unaudited)	31.03.2020 (Audited)
<b>1 SEGMENT REVENUE</b>						
(a) Manufacturing of Adhesives & Emulsions	7,829.37	2,563.53	7,463.31	10,392.90	15,321.54	30,348.87
(b) Trading in chemicals & Others	2,812.13	394.98	2,578.53	3,207.11	5,273.09	11,822.04
(c) Unallocable	-	-	-	-	-	-
Total						
<b>NET SALES / INCOME FROM OPERATIONS</b>	<b>10,641.50</b>	<b>2,958.51</b>	<b>10,041.84</b>	<b>13,600.00</b>	<b>20,594.63</b>	<b>42,170.91</b>
<b>2 SEGMENT RESULTS PROFIT - PBIT</b>						
(a) Manufacturing of Adhesives & Emulsions	433.08	(35.83)	441.34	397.24	983.99	2,162.47
(b) Trading in chemicals & Others	30.92	(2.42)	42.65	28.50	(26.33)	41.15
(c) Unallocable	-	-	-	-	-	-
Total	463.99	(38.25)	483.99	425.74	957.66	2,203.62
Less: (i) Interest & Financial Charges (Net)	153.46	161.33	232.84	314.79	452.94	783.04
(ii) Other Unallocable Expenditure net of Unallocable Income	(99.31)	120.16	7.23	20.85	44.86	505.96
<b>TOTAL PROFIT BEFORE TAX</b>	<b>409.84</b>	<b>(319.74)</b>	<b>243.93</b>	<b>90.10</b>	<b>459.87</b>	<b>914.62</b>
<b>3 CAPITAL EMPLOYED</b> (Segment Assets - Segment Liabilities )						
(a) Manufacturing of Adhesives & Emulsions	4,162.74	3,862.17	3,810.42	4,162.74	3,810.42	3,848.50
(b) Trading in chemicals & Others	486.11	478.90	494.17	486.11	494.17	726.11
(c) Unallocable	-	-	-	-	-	-
<b>TOTAL</b>	<b>4,648.85</b>	<b>4,341.07</b>	<b>4,304.60</b>	<b>4,648.85</b>	<b>4,304.60</b>	<b>4,574.61</b>

Note :

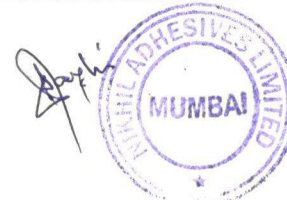
In accordance with IND AS 108 on segment reporting and Company Accounting Standards Rules 2006, the Company has identified (a) manufacturing and incidental activities and (b) trading activities as reportable segments. There are no identified reportable geographical segments.



**STANDALONE UNAUDITED STATEMENT OF ASSETS AND LIABILITIES AS AT 30.09.2020**

Rs in lacs

Particulars	As at September 30, 2020 (Unaudited)	As at March 31, 2020 (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
(a) Property, plant and equipment	5,016	4,438
(b) Capital work-in-progress	-	564
(c) Intangible assets	-	-
(d) Financial assets		
(i) Investments	6	4
(ii) Other non-current financial assets	40	39
(e) Other non-current assets	95	135
<b>Total non current assets</b>	<b>5,156</b>	<b>5,179</b>
<b>Current assets</b>		
(a) Inventories	2,838	3,668
(b) Financial assets		
(i) Trade receivables	9,392	9,471
(ii) Cash and cash equivalents	57	51
(iii) Bank balances other than above	43	94
(iv) Other current financial assets	-	-
(c) Current tax assets (net)	139	135
(d) Other current assets	321	491
<b>Total current assets</b>	<b>12,790</b>	<b>13,910</b>
<b>TOTAL ASSETS</b>	<b>17,946</b>	<b>19,089</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity share capital	460	460
(b) Other equity	4,188	4,114
<b>Total equity</b>	<b>4,649</b>	<b>4,575</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	1,552	1,554
(ii) Other non-current financial liabilities	131	161
(b) Provisions	69	68
(c) Deferred tax liabilities (net)	329	309
<b>Total non-current liabilities</b>	<b>2,080</b>	<b>2,092</b>
<b>Current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	1,412	1,108
(ii) Trade payables	6,558	8,664
(iii) Other current financial liabilities	1,623	1,513
(b) Other current liabilities	1,430	944
(c) Provisions	43	43
(d) Current tax liabilities (Net)	151	151
<b>Total current liabilities</b>	<b>11,217</b>	<b>12,422</b>
<b>Total Liabilities</b>	<b>13,297</b>	<b>14,515</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>17,946</b>	<b>19,089</b>





# NIKHIL ADHESIVES LIMITED

CONTINUATION SHEET

STANDALONE UNAUDITED STATEMENT OF CASH FLOW FOR HALF YEAR ENDED 30th SEPTEMBER 2020

Rupees in lakhs

Particulars	For the period ended September 30, 2020		For the period ended September 30, 2019	
<b>A. Cash flow from operating activities</b>				
Net Profit Before tax, exception/extraordinary item		90		460
<b>Non-cash and not operating adjustments</b>				
Depreciation and Amortisation expense	166		132	
Allowance for expected credit loss	33		(8)	
Provision for Gratuity	4		6	
Finance Costs	315		453	
Interest Income	-		(62)	
Sales tax deferral adjustment	-		2	
Unrealised exchange differences (gain)/loss	(37)	481	-	522
		571		981
<b>Changes in Working Capital</b>				
Decrease/(increase) in Trade Receivables	46		1,209	
Decrease/(increase) in Inventories	830		147	
Increase/(decrease) in Trade Payables	(2,070)		(89)	
Decrease/(Increase) in Other Non-current Financial Assets	(1)		1	
Decrease/(increase) in Other Non-current Assets	1		-	
Decrease/(increase) in Other Current Assets	170		(169)	
Increase/(decrease) in Other Non Current Financial Liabilities	(35)			
Increase/(decrease) in Other Current Financial Liabilities	(501)		134	
Increase/(decrease) in Other Current Liabilities	486	(1,074)	351	1,585
<b>Cash Generated from Operations</b>		(503)		2,566
Direct taxes paid (net of refunds)		(4)		(133)
<b>Net cash flow from Operating Activities</b>		(507)		2,433
<b>B. Cash flow from Investing Activities</b>				
Payments for acquisition of Property, Plant and Equipment (net)	(141)		(809)	
Term Deposits with Banks (Net)	52	(89)	135	(674)
<b>Net Cash Flow from/(used in) Investing Activities (B)</b>		(89)		(674)
<b>C. Cash Flows from Financial Activities</b>				
Proceeds / (Repayment) of long term borrowings (Net)	(3)		(314)	
Proceeds / (Repayment) of short term borrowings (Net)	900		(1,076)	
Interest Income	-		62	
Finance Costs	(295)	602	(472)	(1,800)
<b>Net Cash Flow from/(used in) Financing Activities (C)</b>		602		(1,800)
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>		6		(41)
Cash and Cash Equivalents at the beginning of the year		51		112
<b>Cash and Cash equivalents at the end of the period</b>		57		72

**Notes:**

Cash and Cash Equivalents are as under:

Particulars	As at 30 September 2020	As at 30 September 2019
Cash in hand	18	59
Balances with banks in current accounts	39	12
	57	72

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

