

NIKHIL ADHESIVES LIMITED

Statement of Profit and Loss for the Half Year Ended 30 September, 2013

Particulars	Note No.	For the Half Year Ended 30 Sep, 2013	For the Year Ended 31 March 2013
Revenue from Operations	21	1,067,143,609	2,013,311,932
Less: Excise Duty	21	-	185,625,560
		1,067,143,609	1,827,686,372
Other Income	22	25,815	196,436
Total Revenue		1,067,169,424	1,827,882,808
Expenses :			
(a) Cost of Materials Consumed	23	654,299,285	1,027,750,583
(b) Purchases of Stock-in-Trade	24	266,095,075	588,676,056
(c) Changes in Inventories of Finished goods and Stock-in-Trade	25	5,460,733	(23,173,417)
(d) Employee Benefit Expenses	26	23,579,440	43,745,274
(e) Finance Costs	27	24,938,805	37,907,291
(f) Depreciation and Amortization Expense	12	11,886,794	17,481,290
(g) Other Expenses	28	59,625,626	103,722,614
Total Expenses		1,045,885,758	1,796,109,691
Profit Before Exceptional Items and Tax		21,283,666	31,773,117
Exceptional Items	30	33,710,425	17,005,955
Profit Before Tax		(12,426,759)	14,767,162
Tax Expense:			
(a) Current Tax (Refer Note 39)		-	9,110,852
(b) Deferred Tax		-	-
		-	9,110,852
Profit for the Year		(12,426,759)	5,656,310
Earnings per equity share of Nominal Value of ` 10/- each			
(a) Basic	38	-3.19	1.45
(b) Diluted	38	-3.19	1.45
Significant Accounting Policies	1		
The accompanying notes are an integral part of the financial statements			

As per our attached report of even date

For PHD & Associates

Chartered Accountants

Firm Registration No. 111236W

D V Vakharia

(Partner)

Membership No. 46115

Place : Mumbai

For and on behalf of the Board of Directors

U. J. Sanghavi
(Managing Director)

T. J. Sanghavi
(Executive Director)

R. J. Sanghavi
(Chairman)

M. M. Vora
(Director)

NIKHIL ADHESIVES LIMITED
Notes forming part of the Financial Statements

NOTE 21 REVENUE FROM OPERATIONS

Particulars	For the Half year ended 30 Sep 2013	For the year ended 31 March 2013
Sale of products :		
(a) <u>Manufactured goods</u>		
Adhesives and Emulsions	758,073,672	1,388,199,691
(b) <u>Traded goods</u>		
Chemicals	301,520,717	610,538,067
	1,059,594,389	1,998,737,758
Other operating revenues :		
(a) Labour Charges Income	7,537,828	14,507,420
(b) Bad debts recovered		
(c) Miscellaneous income	11,392	66,754
	7,549,220	14,574,174
Revenue from operations (Gross)	1,067,143,609	2,013,311,932
Less : Excise duty	-	185,625,560
Revenue from operations (Net)	1,067,143,609	1,827,686,372

NOTE 22 OTHER INCOME

Particulars	For the Half year ended 30 Sep 2013	For the year ended 31 March 2013
Dividend income :		
from non-current investments	-	5,600
Other non-operating income :		
(a) Sundry balances written back		
(b) Sundry income	25,815	190,836
Total	25,815	196,436

NIKHIL ADHESIVES LIMITED
Notes forming part of the financial statements

NOTE 23 COST OF MATERIALS CONSUMED

Particulars	For the Half year ended 30 Sep 2013	For the year ended 31 March 2013
	-	-
Raw Materials consumed (Refer details given below)		
Opening stock	103,767,960	97,703,927
Add : Purchases	Err:509	967,209,378
	Err:509	1,064,913,305
Less : Closing stock	150,048,927	103,767,960
	Err:509	961,145,345
Packing Materials consumed		
Opening stock	7,054,879	5,018,165
Add : Purchases	45,679,507	68,641,952
	52,734,386	73,660,117
Less : Closing stock	6,786,307	7,054,897
	45,948,079	66,605,220
Total	Err:509	1,027,750,565

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Details of Raw Materials consumed :

Particulars	For the Half year ended 30 Sep 2013	For the year ended 31 March 2013
	-	-
Vinyl Acetate Monomer	-	208,389,467
Butyl Acetate Monomer	-	339,432,562
Other chemicals	-	413,323,316
Total	-	961,145,345

NOTE 24 PURCHASE OF TRADED GOODS

Particulars	For the Half year ended 30 Sep 2013	For the year ended 31 March 2013
	-	-
Traded Goods		
Vinyl Acetate Monomer	-	95,581,448
Styrene Monomer	-	65,625,510
Other chemicals	266,095,075	427,469,098
Total	266,095,075	588,676,056

NOTE 25 CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK-IN-TRADE

Particulars	For the Half year ended 30 Sep 2013	For the year ended 31 March 2013
	-	-
Opening Stock		
(a) <u>Finished goods</u>		
Adhesives & Emulsions	42,199,652	22,102,651
(b) <u>Stock-in-trade</u>		
Chemicals	29,314,776	26,220,340
	71,514,428	48,322,991
Less : Closing Stock		
(a) <u>Finished goods</u>		
Adhesives & Emulsions	49,373,202	42,199,652
(b) <u>Stock-in-trade</u>		
Chemicals	16,688,527	29,314,776
	66,061,729	71,514,428
Changes in Inventories	5,452,699	(23,191,437)
Increase/(Decrease) in Excise duty on Finished goods	8,034	18,020
Total	5,460,733	(23,173,417)

NIKHIL ADHESIVES LIMITED**Notes forming part of the financial statements****NOTE 26 EMPLOYEE BENEFIT EXPENSES**

Particulars	For the Half year ended 30 Sep 2013	For the year ended 31 March 2013
Salaries and wages	21,522,726	39,898,810
Contributions to Provident and other funds	1,436,065	2,803,051
Staff welfare expenses	620,649	1,043,413
Total	23,579,440	43,745,274

NOTE 27 FINANCE COSTS

Particulars	For the Half year ended 30 Sep 2013	For the year ended 31 March 2013
Interest expense	15,658,940	25,702,209
Other borrowing costs	11,713,393	15,940,689
	27,372,333	41,642,898
Less :		
Interest received (Gross)	2,433,528	3,735,607
Total	24,938,805	37,907,291

NIKHIL ADHESIVES LIMITED**Notes forming part of the Financial Statements****NOTE 28 OTHER EXPENSES**

Particulars	For the Half year ended 30 Sep 2013	For the year ended 31 March 2013
Stores and spares consumed	1,641,319	2,912,179
Power and fuel	11,987,837	18,798,396
Labour charges	959,622	1,999,322
Rent	2,100,156	4,166,079
Repairs and Maintenance :		
Plant & Machinery	707,463	1,360,933
Building	60,681	124,685
Others	138,200	524,247
Printing and Stationery	254,040	585,630
Insurance	747,808	1,126,489
Storage charges expenses (Net)	3,991,418	4,263,919
Telephone expenses	1,060,236	2,497,207
Travelling and Conveyance expenses	3,456,540	6,967,907
Service charges	50,922	116,800
Legal and Professional charges (Refer Note 29 below)	1,179,756	3,177,158
Sales promotion expenses	647,124	2,669,440
Transportation and Octroi charges	18,216,195	30,257,223
Brokerage and Commission	1,475,060	2,262,441
Bad debts	(386,756)	141,056
Discounts/Rebates (Net)	10,000,518	15,808,593
Directors sitting fees	45,000	82,500
Miscellaneous expenses	1,292,487	3,880,410
Total	59,625,626	103,722,614

NOTE 29 REMUNERATION TO AUDITORS

Particulars	For the Half year ended 30 Sep 2013	For the year ended 31 March 2013
Legal and Professional charges includes payments to the auditors towards :		
Audit fees*	-	300,000
Tax Matters*	-	30,000
Other services*	-	72,500
Total	-	402,500

* Excluding Service Tax

NOTE 30 EXCEPTIONAL ITEMS

Particulars	For the Half year ended 30 Sep 2013	For the year ended 31 March 2013
Net Foreign currency translation loss/(Gain) (Refer Note 33)	33,710,425	17,005,955
Total	33,710,425	17,005,955

Segmentwise Revenue, Standalone Results and Capital Employed for the Quarter/Half Year Ended 30th September, 2013

(` IN LAKHS)

PARTICULARS	Unaudited					Audited Year Ended 31.03.2013
	Quarter ended			Half Year Ended		
	30.09.2013	30.06.2013	30.09.2012	30.09.2013	30.09.2012	
1 SEGMENT REVENUE						
(a) Manufacturing of Adhesives & Emulsions	4,170.66	3,485.46	2,960.38	7,656.12	5,905.13	12,171.51
(b) Trading in chemicals & Others	1,644.95	1,370.37	1,279.25	3,015.32	2,899.56	6,105.38
(c) Unallocable	-	-	-	-	-	-
Total	5,815.61	4,855.83	4,239.63	10,671.44	8,804.68	18,276.89
Less : Inter Segment Revenue	-	-	-	-	-	-
NET SALES / INCOME FROM OPERATIONS	5,815.61	4,855.83	4,239.63	10,671.44	8,804.68	18,276.89
2 SEGMENT RESULTS PROFIT - PBIT						
(a) Manufacturing of Adhesives & Emulsions	5.03	176.24	114.18	181.27	268.88	582.37
(b) Trading in chemicals & Others	4.75	2.20	29.34	6.95	69.64	99.68
(c) Unallocable	-	-	-	-	-	-
Total	9.78	178.44	143.52	188.22	338.52	682.05
Less: (i) Interest & Financial Charges (Net)	134.39	115.00	81.49	249.39	164.77	379.07
(ii) Other Unallocable Expenditure net off	30.93	32.17	35.31	63.10	72.44	155.32
Unallocable Income						
TOTAL PROFIT BEFORE TAX	(155.54)	31.27	26.72	(124.27)	101.31	147.66
3 CAPITAL EMPLOYED						
(Segment Assets - Segment Liabilities)						
(a) Manufacturing of Adhesives & Emulsions	4,342.05	3,897.59	4,157.64	4,342.05	4,157.64	3,548.16
(b) Trading in chemicals & Others	1,207.72	1,192.00	1,503.92	1,207.72	1,503.92	841.32
(c) Unallocable	-	-	-	-	-	-
TOTAL	5,549.77	5,089.59	5,661.56	5,549.77	5,661.56	4,389.48

For NIKHIL ADHESIVES LIMITED

DIRECTOR

Place : Mumbai

Date : 13/11/2013

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER/HALF YEAR ENDED 30TH SEPTEMBER,2013

(` IN LAKHS)

PART I		Unaudited				Audited	
Sr. No	Particulars	Quarter ended		Half Year Ended		Year Ended 31.03.2013	
		30.09.2013	30.06.2013	30.09.2012	30.09.2013		30.09.2012
1	Income from operations						
	(a) Net sales/income from operations (Net of excise duty)	5778.26	4817.69	4193.36	10595.95	8727.76	18131.15
	(b) Other operating income	37.35	38.14	46.27	75.49	76.92	145.74
	Total income from operations (net)	5815.61	4855.83	4239.63	10671.44	8804.68	18276.89
2	Expenses						
	(a) Cost of materials consumed	3656.28	2886.71	2528.08	6542.99	4991.81	10277.51
	(b) Purchases of stock-in-trade	1380.50	1280.45	1275.08	2660.95	2718.85	5886.79
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	88.31	(33.70)	(63.33)	54.61	20.95	(231.73)
	(d) Employee benefits expense	119.02	116.77	113.72	235.79	209.05	437.45
	(e) Depreciation and amortisation expense	59.54	59.33	30.95	118.87	60.19	174.81
	(f) Other expenses	315.63	280.63	231.24	596.26	460.71	1037.23
	Total expenses	5619.28	4590.19	4115.74	10209.47	8461.56	17582.06
3	Profit from operations before other income finance costs & exceptional items (1-2)	196.33	265.64	123.88	461.97	343.12	694.83
4	Other income	0.26	-	0.99	0.26	1.02	1.96
5	Profit from ordinary activities before finance costs and exceptional items (3 + 4)	196.60	265.64	124.87	462.23	344.14	696.79
6	Finance costs	134.39	115.00	81.49	249.39	164.77	379.07
7	Profit from ordinary activities after finance costs but before exceptional items (5 - 6)	62.21	150.64	43.38	212.85	179.37	317.72
8	Exceptional items :						
	Net Foreign Currency Translation Loss	217.74	119.37	16.66	337.11	78.06	170.06
9	Profit from ordinary activities before tax (7 - 8)	(155.54)	31.27	26.72	(124.27)	101.31	147.66
10	Tax expense	-	-	(20.00)	-	-	91.11
11	Net Profit / (Loss) from ordinary activities after tax (9 - 10)	(155.54)	31.27	46.72	(124.27)	101.31	56.55
12	Extraordinary items (net of tax expense)	-	-	-	-	-	-
13	Net Profit / (Loss) for the period (11 + 12)	(155.54)	31.27	46.72	(124.27)	101.31	56.55
14	Paid-up equity share capital (Face Value of the Share ` 10/- each)	390.50	390.50	390.50	390.50	390.50	390.50
15	Reserves excluding Revaluation Reserve				853.85	1059.32	978.11
16	Earning Per Share (EPS) (Not annualised except for the year ended 31st March 2013)						
	(a) Basic & diluted EPS before Extraordinary Items	(3.99)	0.80	1.20	(3.19)	2.59	1.46
	(b) Basic & diluted EPS after Extraordinary Items	(3.99)	0.80	1.20	(3.19)	2.59	1.46

Notes :

- 1) The above results were reviewed by the Audit Committee and thereafter approved by the Board of Directors at their respective meetings held on 13th November 2013.
- 2) In view of substantial expansion project undertaken by the Company, provision for current tax, if any, and deferred tax shall be made at the end of the year.
- 3) Loss on account of foreign exchange fluctuations has been treated as an exceptional item, since the same has resulted from volatile currency fluctuation during the reporting periods.
- 4) The figures for the previous quarter/year have been regrouped/reclassified wherever necessary.

For NIKHIL ADHESIVES LIMITED

(RAJENDRA J. SANGHAVI)
DIRECTOR

Place : Mumbai
Date : 13/11/2013

NIKHIL ADHESIVES LIMITED (BSE Scrip Code - 526159)
STATEMENTS OF ASSETS AND LIABILITIES (STANDALONE)

(` IN LAKHS)

Particular		As at 30.09.2013	As at 31.03.2013
		(Unaudited)	(Audited)
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	(a) Share capital	390.50	390.50
	(b) Reserves and surplus	853.85	978.11
	Sub-total - Shareholders' funds	1244.35	1368.61
2	Share application money pending allotment	-	-
3	Non - Current Liabilities		
	(a) Long-term borrowings	917.29	908.57
	(b) Deferred tax liabilities (net)	178.25	178.25
	(c) Other long-term liabilities	4.51	4.27
	(d) Long-term provisions	20.85	18.35
	Sub-total - Non-current liabilities	1120.90	1109.44
4	Current Liabilities		
	(a) Short-term borrowings	3231.54	1988.57
	(b) Trade payables	5162.05	3856.10
	(c) Other current liabilities	836.12	672.62
	(d) Short-term provisions	42.15	44.72
	Sub-total - Current liabilities	9271.86	6562.01
	TOTAL - EQUITY AND LIABILITIES	11637.11	9040.05
B	ASSETS		
1	Non - Current Assets		
	(a) Fixed assets	2639.99	2494.22
	(b) Non-current investments	1.36	1.36
	(c) Long-term loans and advances	126.83	116.79
	(d) Other non-current assets	0.58	-
	Sub-total - Non-current assets	2768.76	2612.37
2	Current Assets		
	(a) Inventories	2238.32	1835.41
	(b) Trade receivables	5089.55	3176.55
	(c) Cash and bank balances	516.38	578.35
	(d) Short-term loans and advances	995.84	812.55
	(e) Other current assets	28.26	24.82
	Sub-total - Current assets	8868.35	6427.68
	TOTAL - ASSETS	11637.11	9040.05