



# Nitta Gelatin India Limited

(Formerly Kerala Chemicals and Proteins Limited)

Joint venture of Kerala State Industrial Development Corporation Ltd. and Nitta Gelatin Inc.

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CIN : L24299KL1975PLC002691

Website : www.gelatin.in

Ref: 38/600/262

June 8, 2020

The Secretary  
BSE Ltd.,

Phiroze Jeejeebhoy Towers, **Fax No. 022 - 22723121 / 22723719**  
25<sup>th</sup> Floor, Dalal Street,  
Mumbai-400 001

Dear Sir,

**Sub:- Audited Financial Results of the Company  
for the year ended 31.03.2020**

Ref:- Regulation 30 and Regulation 33 r/w Schedule III A 4(h)

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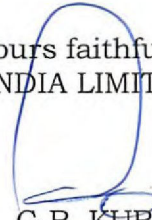
The Board of Directors of the Company today (08.06.2020) met and approved among other things, the audited Standalone and Consolidated financial results for the quarter and year ended 31<sup>st</sup> March, 2020, which alongwith the Auditor's Report thereon, are filed for information of shareholders / investing public.

The Board had also recommended a dividend of Rs. 2.5 per Equity Share of face value of Rs.10/- for declaration at the forthcoming Annual General Meeting of the Company, which shall thereafter be paid within the statutory time limit thereof.

The meeting ended at 6.30 p.m.

Thanking you,

Yours faithfully,  
For NITTA GELATIN INDIA LIMITED

  
G.R. KURUP,  
COMPANY SECRETARY

Encl: as above.

Total No. of pages including this - 15

STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2020

( ₹ in Lakhs, except per share data)

Sl. No.	Particulars	Quarter ended			Year ended	
		31-Mar-20	31-Dec-19	31-Mar-19	31-Mar-20	31-Mar-19
		Audited	Unaudited	Audited	Audited	Audited
1	<b>Income</b>					
	(a) Revenue from operations	6,706.88	7,590.81	7,640.59	29,447.84	26,119.80
	(b) Other income	(177.84)	54.34	16.55	329.85	70.51
	<b>Total Income (a)+(b)</b>	<b>6,529.04</b>	<b>7,645.15</b>	<b>7,657.14</b>	<b>29,777.69</b>	<b>26,190.31</b>
2	<b>Expenses</b>					
	(a) Cost of materials consumed	3,398.28	4,162.91	3,900.32	15,595.01	10,851.44
	(b) Purchases of stock-in-trade	-	-	294.87	-	294.87
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(233.06)	(623.03)	(372.38)	(1,792.30)	479.64
	(d) Employee benefits expense	778.11	913.36	804.05	3,469.67	3,259.45
	(e) Finance Costs	176.29	203.13	272.94	753.45	789.41
	(f) Depreciation and amortisation expense	374.60	379.83	383.74	1,495.88	1,435.49
	(g) Other expenses	2,530.21	2,215.78	2,370.06	9,568.05	9,446.54
	<b>Total Expenses</b>	<b>7,024.43</b>	<b>7,251.98</b>	<b>7,653.60</b>	<b>29,089.76</b>	<b>26,556.84</b>
3	<b>(Loss) / Profit before exceptional items and tax (1-2)</b>	<b>(495.39)</b>	<b>393.17</b>	<b>3.54</b>	<b>687.93</b>	<b>(366.53)</b>
4	<b>Exceptional Items</b>	-	-	-	-	-
5	<b>(Loss) / Profit before tax (3 - 4)</b>	<b>(495.39)</b>	<b>393.17</b>	<b>3.54</b>	<b>687.93</b>	<b>(366.53)</b>
6	<b>Tax expense</b>					
	- Current tax	(78.00)	79.00	(188.53)	118.00	-
	- Income tax relating to earlier years	(262.97)	-	-	(310.97)	-
	Minimum alternate tax credit entitlement	78.00	(79.00)	-	(118.00)	-
	- Deferred tax	(73.60)	112.09	28.54	209.36	(102.87)
7	<b>(Loss) / Profit for the period/ year (5 - 6)</b>	<b>(158.82)</b>	<b>281.08</b>	<b>163.53</b>	<b>789.54</b>	<b>(263.66)</b>
8	<b>Other comprehensive income</b>					
	(i) Items that will not be reclassified to profit or loss					
	Income tax relating to items that will not be reclassified to profit or loss	(73.26)	4.78	(2.00)	(70.59)	(2.33)
		20.67	(1.00)	-	20.11	1.23
	(ii) Items that will be reclassified to profit or loss					
	Income tax relating to items that will be reclassified to profit or loss	(572.11)	(83.78)	14.00	(758.68)	174.57
		166.60	24.40	(3.00)	220.93	(61.00)
	<b>Total other comprehensive (loss) / income (net of tax)</b>	<b>(458.10)</b>	<b>(55.60)</b>	<b>9.00</b>	<b>(588.23)</b>	<b>112.47</b>
9	<b>Total comprehensive (loss) / income for the period/year (7+8)</b>	<b>(616.92)</b>	<b>225.48</b>	<b>172.53</b>	<b>101.31</b>	<b>(151.19)</b>
10	<b>Paid-up equity share capital (Face value of ₹ 10/share)</b>	907.92	907.92	907.92	907.92	907.92
11	<b>Other Equity</b>				13,409.39	13,346.02
12	<b>Earnings per Equity Share</b>					
	a) Basic: (₹)	(1.75)	3.09	1.81	8.70	(2.90)
	b) Diluted: (₹)	(1.75)	3.09	1.81	8.70	(2.90)



STANDALONE AUDITED BALANCE SHEET

	Particulars	₹ In Lakhs	
		As at 31-Mar-2020	As at 31-Mar-2019
<b>A</b>	<b>ASSETS</b>		
<b>1</b>	<b>Non-current Assets</b>		
	(a) Property, Plant and Equipment	11,561.31	12,586.31
	(b) Capital work-in-progress	407.66	318.46
	(c) Other intangible assets	23.52	26.06
	(d) Financial assets		
	(i) Investments	437.17	442.39
	(ii) Loans	385.62	400.83
	(iii) Other financial assets	99.90	33.43
	(e) Non-current tax assets (net)	2,138.73	1,902.30
	(f) Other non-current assets	819.92	562.88
	<b>Sub-total - Non-current assets</b>	<b>15,873.83</b>	<b>16,272.66</b>
<b>2</b>	<b>Current Assets</b>		
	(a) Inventories	8,328.84	6,441.62
	(b) Financial assets		
	(i) Trade receivables	2,707.07	5,329.24
	(ii) Cash and cash equivalents	97.96	401.06
	(iii) Bank balances other than cash and cash equivalents	75.88	115.07
	(iv) Loans	7.00	23.84
	(v) Other financial assets	108.74	296.24
	(c) Other current assets	542.10	596.22
	<b>Sub-total - Current assets</b>	<b>11,867.59</b>	<b>13,203.29</b>
	<b>TOTAL ASSETS</b>	<b>27,741.42</b>	<b>29,475.95</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
	(a) Equity share capital	907.92	907.92
	(b) Other equity	13,409.39	13,346.02
	<b>Sub-total - Equity</b>	<b>14,317.31</b>	<b>14,253.94</b>
	<b>LIABILITIES</b>		
<b>1</b>	<b>Non-current Liabilities</b>		
	(a) Financial liabilities		
	(i) Borrowings	1,700.10	1,700.10
	(b) Provisions	189.73	199.82
	(c) Deferred tax liabilities (net)	185.26	216.94
	<b>Sub-total - Non-current liabilities</b>	<b>3,243.91</b>	<b>3,803.04</b>
<b>2</b>	<b>Current liabilities</b>		
	(a) Financial liabilities		
	(i) Borrowings	4,317.00	6,126.74
	(ii) Trade payables		
	a) Total outstanding dues of micro and small enterprises	60.12	1.47
	b) Total outstanding dues of creditors other than micro and small enterprises	2,137.15	2,122.49
	(iii) Other financial liabilities	1,677.29	939.56
	(b) Other current liabilities	984.58	969.12
	(c) Provisions	291.43	235.99
	(d) Current tax liability (net)	712.63	1,023.60
	<b>Sub-total - Current liabilities</b>	<b>10,180.20</b>	<b>11,418.97</b>
	<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>27,741.42</b>	<b>29,475.95</b>



## STATEMENT OF AUDITED STANDALONE CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2020

Particulars	₹ in Lakhs )	
	Year ended 31-Mar-2020	Year ended 31-Mar-2019
<b>A. Cash flows from operating activities</b>		
Profit / (Loss) before tax	687.93	(366.53)
Adjustments for:		
Depreciation and amortisation expense	1,495.88	1,435.49
Loss on disposal of Property, Plant and Equipment (net)	7.83	20.91
Provision for impairment on Plant and Equipment	310.73	-
Finance costs	753.45	789.41
Interest income	(12.87)	(35.64)
Dividend income from non-current investments	(210.30)	(0.42)
Creditors written back	(0.30)	(31.58)
Reversal of Allowances for expected credit loss on trade receivables	-	(9.19)
Unrealised foreign exchange (gain)/loss (net)	(144.45)	38.10
<b>Operating profit before working capital changes</b>	<b>2,887.90</b>	<b>1,840.55</b>
Adjustments for working capital changes:		
Decrease in trade receivables, other financial assets and other current assets	1,856.73	693.21
(Increase) / Decrease in inventories	(1,887.22)	793.81
Increase / (Decrease) in trade payables, other financial liabilities and other current liabilities	708.90	(144.94)
Decrease in provisions	(20.02)	(145.17)
	<b>658.39</b>	<b>1,196.91</b>
<b>Cash generated from operations</b>	<b>3,546.29</b>	<b>3,037.46</b>
Income taxes paid	(236.43)	(256.57)
<b>Net cash generated from operating activities - (A)</b>	<b>3,309.86</b>	<b>2,780.89</b>
<b>B. Cash flows from investing activities</b>		
Payments for purchase of Property, Plant and Equipment	(876.03)	(1,630.96)
Proceeds from disposal of Property, Plant and Equipment	7.99	18.66
(Increase)/Decrease in other bank balances with maturity more than three months	(28.66)	276.56
Interest received	13.38	35.11
Dividend received	210.30	0.42
<b>Net cash used in investing activities - (B)</b>	<b>(671.02)</b>	<b>(1,300.21)</b>
<b>C. Cash flows from financing activities</b>		
(Repayment) / Proceeds from current borrowings (net)	(1,651.46)	103.43
Repayment of non-current borrowings (net)	(423.80)	(442.83)
Dividend paid	(136.94)	(226.43)
Tax paid on dividend	(2.38)	(46.66)
Interest paid	(725.36)	(773.12)
<b>Net cash used in financing activities - (C)</b>	<b>(2,939.94)</b>	<b>(1,385.61)</b>
<b>Net (decrease) / increase in cash and cash equivalents - (A)+(B)+(C)</b>	<b>(303.10)</b>	<b>95.07</b>
Cash and cash equivalents at beginning of the year	401.06	305.99
Cash and cash equivalents at the end of the year	97.96	401.06
	<b>(303.10)</b>	<b>95.07</b>

## Components of Cash and cash equivalents

a) Cash on hand	7.56	3.15
b) Balance with banks :		
- in current accounts	90.40	377.41
- in deposit accounts with a maturity of less than three months	-	20.50
<b>Cash and cash equivalents</b>	<b>97.96</b>	<b>401.06</b>



Notes:

- 1 These financial results have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with the relevant notes thereunder and in terms of Regulation 33 of the SFRI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
- 2 The Company has adopted Ind AS 116 "Leases" effective 1st April 2019, as notified by the Ministry of Corporate Affairs (MCA) in the Companies (Indian Accounting Standards) Amendment Rules, 2019 using modified retrospective method and accordingly, the comparatives have not been restated retrospectively. The adoption of this standard did not have any material impact on the results of the current period.
- 3 The Company is engaged in the manufacture and sale of products which form part of a single product group which represents one operating segment. As the Chief Operating Decision Maker (CODM) reviews business performance at an overall group level, disclosure requirement under Ind AS 108 on "Operating Segment" is not applicable.
- 4 In view of the existence of certain indicators of impairment for the assets of the company at its Reva division, Bharuch, the company has conducted an impairment testing of the carrying value of Property, Plant and Equipment as at 31st March 2020 in the manner prescribed in Ind AS 36. Based on cash flow projections made by the company, the recoverable amount of the group of assets is determined to be ₹ 2677.78 Lakhs as against the carrying amount of ₹ 2988.51 Lakhs and therefore the company has made a provision for impairment in Plant and Equipment to the extent of ₹ 310.73 Lakhs during the year ended 31 March 2020. The impairment provision is included within other expenses in the financial results.
- 5 The Board of Directors has proposed a dividend of ₹ 9.18 per preference share (@ 5.4029%) on the 929,412 Optionally Convertible (non cumulative) preference shares of face value of ₹ 170/- each, a dividend of ₹ 0.7650 per preference share (@ 7.65063%) on the 44,44,444 redeemable preference shares of ₹ 10 each and a dividend of ₹ 2.5/- per equity share (25% of the face value of ₹ 10/- per share) in their meeting held today which is subject to approval by the shareholders in the ensuing Annual General Meeting.
- 6 Pursuant to the Scheme of Merger and Amalgamation (the 'Scheme') under Section 230-232 of the Companies Act, 2013 duly approved by the Hon'ble National Company Law Tribunal, Chennai Bench vide order dated 27 March 2019, erstwhile subsidiary company, M/s Reva Proteins Limited ('the Transferor Company') was merged with the Company during the last year. The scheme provides for issuance of 44,44,444 numbers of Redeemable Preference shares of ₹ 10/- each to Nitta Gelatin Inc (NGI), as consideration for their equity holding of 48,00,000 shares in the Transferor Company. The Company has allotted Preference shares to NGI during the Quarter ended 31 December 2019.
- 7 During the month of March 2020, World Health Organisation declared COVID-19 to be a global pandemic. The spread of COVID-19 has impacted the normal operations of businesses in many countries, including India. The country has witnessed several disruptions in normal operations due to lock downs imposed by the Government in the form of restrictions to movement of people, transportation and supply chain along with other stringent measures to contain COVID-19 spread. The Company is engaged in the business of manufacturing products primarily meant for pharma industry which is part of essential commodities and therefore the pandemic has so far had minimal impact on the business operations of the company. Management has made an assessment of the possible impact of Covid 19 on the business of the company. The management has exercised due care in concluding on significant accounting judgements and estimates. Management noted that there is no impact on financial results on carrying value of property plant and equipment, recoverability of receivables, realisability of inventory and impairment assessment of financial and non financial assets. The management believes that the company will be able to discharge the committed liabilities on due date. The Company will continue to monitor future material changes to economic conditions and impact thereof on its operations.
- 8 The annual maintenance shut down of the Gelatin Plant and the nationwide lockdown declared by the Government has impacted the operations of the company during the quarter ended 31 March 2020.
- 9 During the year the company has received favourable orders from the Appellate authorities of the Income Tax department relating to a dispute pending for Assessment Years 2009-10 and 2010-11. The provision for Income tax ₹ 210.27 Lakhs carried in the books relating to the earlier years have been reversed in the current financial year.
- 10 The Company has evaluated the impact of the newly introduced Section 115BAA of the Taxation Laws (Amendment) Ordinance, 2019 and has decided not to opt for the same in view of the carry forward losses and MAT Credit carried by the company in the tax books.
- 11 Prior period/year comparatives have been regrouped/reclassified where necessary to conform with the current period/year classification.
- 12 The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 6 June 2020 and 8 June 2020 respectively. The statutory auditors have expressed an unmodified audit opinion on these standalone financial results.
- 13 Figures for the quarters ended 31 March 2020 and 31 March 2019 are the balancing figures between audited figures for the full financial year and the reviewed year to date figures upto the third quarter of the respective financial years.

For and on behalf of Nitta Gelatin India Limited

Sajiv K. Menon  
Managing Director  
DIN : 00168228

Place: Kochi  
Date: 8 June 2020



STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2020

( ₹ in Lakhs, except per share data)

Sl. No.	Particulars	Quarter ended			Year ended	
		31-Mar-20	31-Dec-19	31-Mar-19	31-Mar-20	31-Mar-19
		Audited	Unaudited	Audited	Audited	Audited
1	<b>Income</b>					
	(a) Revenue from operations	7,568.23	8,730.06	8,711.57	34,216.86	30,303.34
	(b) Other income	(182.17)	45.65	2.12	161.32	91.63
	<b>Total Income (a)+(b)</b>	<b>7,386.06</b>	<b>8,775.71</b>	<b>8,713.69</b>	<b>34,378.18</b>	<b>30,394.97</b>
2	<b>Expenses</b>					
	(a) Cost of materials consumed	3,889.83	4,598.98	4,227.43	18,059.17	13,014.63
	(b) Purchases of stock-in-trade	-	-	294.87	-	294.87
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(288.85)	(556.00)	(344.93)	(1,824.79)	37.97
	(d) Employee benefits expense	895.07	1,041.45	920.93	3,965.64	3,733.35
	(e) Finance Costs	179.71	205.73	282.64	777.51	817.07
	(f) Depreciation and amortisation expense	391.73	396.59	390.81	1,563.06	1,501.00
	(g) Other expenses	2,728.91	2,444.22	2,596.91	10,496.28	10,263.12
	<b>Total Expenses</b>	<b>7,796.40</b>	<b>8,130.97</b>	<b>8,368.66</b>	<b>33,036.87</b>	<b>29,662.01</b>
3	<b>(Loss) / Profit before exceptional items and tax (1-2)</b>	<b>(410.34)</b>	<b>644.74</b>	<b>345.03</b>	<b>1,341.31</b>	<b>732.96</b>
4	Exceptional items	-	-	-	-	-
5	<b>(Loss) / Profit before tax (3 - 4)</b>	<b>(410.34)</b>	<b>644.74</b>	<b>345.03</b>	<b>1,341.31</b>	<b>732.96</b>
6	<b>Tax expense</b>					
	- Current tax	(56.76)	180.72	152.87	326.17	341.30
	- Income tax relating to earlier years	(263.00)	(47.97)	-	(310.97)	-
	Minimum alternate tax credit entitlement	78.00	(79.00)	-	(118.00)	-
	- Deferred tax	(75.94)	115.88	30.95	209.14	(100.56)
7	<b>(Loss) / Profit for the period/ year (5 - 6)</b>	<b>(92.64)</b>	<b>475.11</b>	<b>161.21</b>	<b>1,234.97</b>	<b>492.22</b>
8	<b>Other comprehensive income</b>					
	(i) Items that will not be reclassified to profit or loss	(95.41)	4.77	(14.03)	(92.74)	(12.12)
	Income tax relating to items that will not be reclassified to profit or loss	26.24	(1.00)	4.28	25.68	4.08
	(ii) Items that will be reclassified to profit or loss	(631.16)	(93.17)	52.07	(860.48)	210.48
	Income tax relating to items that will be reclassified to profit or loss	181.46	25.88	(16.11)	246.55	(71.46)
	<b>Total other comprehensive (loss) / income (net of tax)</b>	<b>(518.87)</b>	<b>(63.52)</b>	<b>26.21</b>	<b>(680.99)</b>	<b>130.98</b>
9	<b>Total comprehensive (loss) / income for the period/year (7+8)</b>	<b>(611.51)</b>	<b>411.59</b>	<b>187.42</b>	<b>553.98</b>	<b>623.20</b>
	<b>Profit for the period attributable to</b>					
	a) Owners of the parent	(108.16)	440.19	118.11	1,124.16	347.11
	b) Non controlling interest	15.52	34.92	43.10	110.81	145.11
	<b>Other Comprehensive Income attributable to</b>					
	a) Owners of the parent	(508.15)	(62.12)	23.04	(664.62)	127.71
	b) Non controlling interest	(10.72)	(1.40)	3.17	(16.37)	3.27
	<b>Total Comprehensive Income attributable to</b>					
	a) Owners of the parent	(616.31)	378.07	141.15	459.54	474.82
	b) Non controlling interest	4.80	33.52	46.27	94.44	148.38
10	<b>Paid-up equity share capital (Face value ₹ 10/share )</b>	<b>907.92</b>	<b>907.92</b>	<b>907.92</b>	<b>907.92</b>	<b>907.92</b>
11	<b>Other Equity</b>				<b>14,426.54</b>	<b>14,148.05</b>
12	<b>Earnings per Equity Share</b>					
	a) Basic: (₹)	(1.19)	4.85	1.30	12.38	3.82
	b) Diluted: (₹)	(1.19)	4.85	1.30	12.38	3.82



CONSOLIDATED AUDITED BALANCE SHEET

	Particulars	₹ In Lakhs	
		As at 31-Mar-2020	As at 31-Mar-2019
<b>A</b>	<b>ASSETS</b>		
<b>1</b>	<b>Non-current Assets</b>		
	(a) Property, Plant and Equipment	12,025.41	12,952.50
	(b) Capital work-in-progress	416.11	357.34
	(c) Other intangible assets	35.49	39.11
	(d) Financial assets		
	(i) Investments	87.17	92.38
	(ii) Loans	417.86	432.89
	(iii) Other financial assets	105.61	38.84
	(e) Non-current tax assets (net)	2,141.33	1,911.70
	(f) Other non-current assets	826.07	581.42
	<b>Sub-total - Non-current assets</b>	<b>16,055.05</b>	<b>16,406.18</b>
<b>2</b>	<b>Current Assets</b>		
	(a) Inventories	9,126.45	6,995.26
	(b) Financial assets		
	(i) Trade receivables	3,427.95	6,346.82
	(ii) Cash and cash equivalents	136.50	450.17
	(iii) Bank balances other than cash and cash equivalents	88.87	127.32
	(iv) Loans	7.00	23.84
	(v) Other financial assets	110.62	333.49
	(c) Other current assets	621.39	648.79
	<b>Sub-total - Current assets</b>	<b>13,518.78</b>	<b>14,926.19</b>
	<b>TOTAL ASSETS</b>	<b>29,573.83</b>	<b>31,332.37</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
	(a) Equity share capital	907.92	907.92
	(b) Other equity	14,426.54	14,148.05
	Equity attributable to owners of the parent	15,334.46	15,055.97
	Non controlling interests	301.28	261.10
	<b>Sub-total - Equity</b>	<b>15,635.74</b>	<b>15,317.07</b>
	<b>LIABILITIES</b>		
<b>1</b>	<b>Non-current Liabilities</b>		
	(a) Financial liabilities		
	(i) Borrowings	2,868.92	3,386.28
	(b) Provisions	225.89	229.35
	(c) Deferred tax liabilities (net)	140.67	203.76
	<b>Sub-total - Non-current liabilities</b>	<b>3,235.48</b>	<b>3,819.39</b>
<b>2</b>	<b>Current liabilities</b>		
	(a) Financial liabilities		
	(i) Borrowings	4,777.32	6,825.44
	(ii) Trade payables		
	a) Total outstanding dues of micro and small enterprises	61.36	1.47
	b) Total outstanding dues of creditors other than micro and small enterprises	2,106.45	2,162.71
	(iii) Other financial liabilities	1,747.86	950.63
	(b) Other current liabilities	995.23	981.08
	(c) Provisions	297.97	250.98
	(d) Current tax liability (net)	716.42	1,023.60
	<b>Sub-total - Current liabilities</b>	<b>10,702.61</b>	<b>12,195.91</b>
	<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>29,573.83</b>	<b>31,332.37</b>



## STATEMENT OF AUDITED CONSOLIDATED CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2020

Particulars	₹ In Lakhs	
	Year ended 31-Mar-2020	Year ended 31-Mar-2019
<b>A. Cash flows from operating activities:</b>		
Profit before tax	1,341.41	732.96
Adjustments for:		
Depreciation and amortisation Expense	1,563.06	1,501.00
Loss on disposal of Property, Plant and Equipment (net)	8.82	4.08
Finance costs	777.51	817.08
Provision for impairment on Plant and Equipment	310.73	
Interest income	(16.92)	(39.93)
Dividend income from non-current investments	(0.30)	(0.42)
Creditors written back	(0.30)	(31.58)
Reversal of Allowances for expected credit loss on trade receivables	-	(9.19)
Unrealised foreign exchange (gain)/loss (net)	(147.18)	40.65
<b>Operating profit before working capital changes</b>	<b>3,836.83</b>	<b>3,014.65</b>
<b>Adjustments for changes in working capital :</b>		
Decrease / (Increase) in trade receivables, other financial assets and other current assets	1,938.90	(558.72)
(Increase) / Decrease in inventories	(2,131.18)	283.00
Increase in trade payables, other financial liabilities and other current liabilities	843.85	198.72
Decrease in provisions	(43.99)	(134.73)
<b>Cash generated from operations</b>	<b>4,444.41</b>	<b>2,802.92</b>
Income taxes paid	(434.01)	(573.48)
<b>Net cash generated from operating activities - (A)</b>	<b>4,010.40</b>	<b>2,229.44</b>
<b>B. Cash flow from investing activities:</b>		
Payments for purchase of Property, Plant and Equipment	(1,004.93)	(1,747.08)
Proceeds from disposal of Property, Plant and Equipment	0.20	37.12
(Increase) / Decrease in other bank balances with maturity more than three months	(29.71)	275.56
Dividend Received	0.30	0.42
Interest Received	17.38	39.05
<b>Net cash used in investing activities - (B)</b>	<b>(1,008.68)</b>	<b>(1,394.93)</b>
<b>C. Cash flow from financing activities:</b>		
(Repayment) / Proceeds from current borrowings (net)	(1,905.43)	814.20
Repayment from non-current borrowings (net)	(423.80)	(442.83)
Dividend paid	(181.94)	(226.43)
Tax paid on dividend	(54.79)	(46.66)
Interest paid	(749.43)	(800.78)
<b>Net cash used in financing activities - (C)</b>	<b>(3,315.39)</b>	<b>(702.50)</b>
<b>Net (decrease) / increase in cash and cash equivalents - (A)+(B)+(C)</b>	<b>(313.67)</b>	<b>132.01</b>
Cash and cash equivalents at beginning of the year	450.17	318.16
Cash and cash equivalents at the end of the year	136.50	450.17
	<b>(313.67)</b>	<b>132.01</b>

## Components of Cash and cash equivalents

a) Cash on hand	8.70	3.18
b) Balance with banks :		
- in current accounts	127.80	426.49
- in deposit accounts with a maturity of less than three months	-	20.50
<b>Cash and cash equivalents</b>	<b>136.50</b>	<b>450.17</b>






Notes:

- 1 These consolidated financial results of Nitta Gelatin India Limited (the holding Company ) and its subsidiary, together referred to as the " Group" have been prepared in accordance with Indian Accounting Standards (IND AS) prescribed under Section 133 of the Companies Act , 2013 read with the relevant notes thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015, as amended.
- 2 The Group has adopted Ind AS 116 " Leases " effective 1st April 2019, as notified by the Ministry of Corporate Affairs (MCA) in the Companies (Indian Accounting Standards) Amendment Rules, 2019 using modified retrospective method and accordingly, the comparatives have not been restated retrospectively. The adoption of this standard did not have any material impact on the results of the current period.
- 3 The Group is engaged in the manufacture and sale of products which form part of a single product group which represents one operating segment. As the Chief Operating Decision Maker (CODM) reviews business performance at an overall group level, disclosure requirement under Ind AS 108 on "Operating Segment " is not applicable.
- 4 In view of the existence of certain indicators of impairment for the assets of the holding company at its Reva division, Bharuch, the holding company has conducted an impairment testing of the carrying value of Fixed Assets as at 31st March 2020 in the manner prescribed in Ind AS 36. Based on cash flow projections made by the company, the recoverable amount of the group of assets is determined to be ₹ 2677.78 Lakhs as against the carrying amount of ₹ 2988.51 Lakhs and therefore the holding company has made a provision for impairment in Plant and machinery to the extent of ₹ 310.73 Lakhs during the year ended 31 March 2020. The impairment provision is included within other expenses in the financial results.
- 5 The Board of Directors has proposed a dividend of ₹ 9.18 per preference share (@ 5.4029% ) on the 929,412 Optionally Convertible ( non cumulative ) preference shares of face value of ₹ 170/- each, a dividend of ₹ 0.7650 per preference share (@ 7.65063%) on the 44,44,444 redeemable preference shares of ₹ 10 each and a dividend of ₹ 2.5 /- per equity share ( 25% of the face value of ₹ 10/- per share ) in their meeting held today which is subject to approval by the shareholders in the ensuing Annual General Meeting.
- 6 Pursuant to the Scheme of Merger and Amalgamation (the 'Scheme') under Section 230-232 of the Companies Act, 2013 duly approved by the Hon'ble National Company Law Tribunal, Chennai Bench vide order dated 27 March 2019, erstwhile subsidiary company, M/s Reva Proteins Limited ('the Transferor Company') was merged with the holding Company during the last year. The scheme provides for issuance of 44,44,444 numbers of Redeemable Preference shares of ₹ 10/- each to Nitta Gelatin Inc.(NGI), as consideration for their equity holding of 48,00,000 shares in the Transferor Company. The Holding company has allotted Preference shares to NGI during the Quarter ended 31 December 2019.
- 7 During the month of March 2020, World Health Organisation declared COVID -19 to be a global pandemic. The spread of COVID-19 has impacted the normal operations of businesses in many countries, including India. The country has witnessed several disruptions in normal operations due to lock downs imposed by the Government in the form of restrictions to movement of people , transportation and supply chain along with other stringent measures to contain COVID-19 spread.  
The Group is engaged in the business of manufacturing products primarily meant for pharma industry which is part of essential commodities and therefore the pandemic has so far had minimal impact on the business operations of the company.  
Management has made an assessment of the possible impact of Covid 19 on the business of the Group. The management has exercised due care in concluding on significant accounting judgements and estimates. Management noted that there is no impact on financial results on carrying value of property plant and equipment, recoverability of receivables , realisability of inventory and impairment assessment of financial and non financial assets. The management believes that the Group will be able to discharge the committed liabilities on due date .The Group will continue to monitor future material changes to economic conditions and impact thereof on its operations.
- 8 The annual maintenance shut down of the Gelatin Plant of the holding company and the nationwide lockdown declared by the Government has impacted the operations of the Group during the quarter ended 31 March 2020.
- 9 During the year the holding company has received favourable orders from the Appellate authorities of the Income Tax department relating to a dispute pending for Assessment Years 2009-10 and 2010-11. The provision for Income tax ₹ 310.97 Lakhs carried in the books relating to the earlier years have been reversed in the current financial year.
- 10 The Holding Company has evaluated the impact of the newly introduced Section 115BAA of the Taxation Laws ( Amendment) Ordinance , 2019 and has decided not to opt for the same in view of the carry forward losses and MAT Credit carried by the company in the tax books. The subsidiary company, M/S. Bamni Proteins Ltd has opted for the new Ordinance and has considered the normal tax expense and deferred tax expenses as per the new rate
- 11 Prior period comparatives have been regrouped/reclassified where necessary to conform to current period classification.
- 12 The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 6 June 2020 and 8 June 2020 respectively. The statutory auditors have expressed an unmodified audit opinion on these consolidated financial results.
- 13 Figures for the quarters ended 31 March 2020 and 31 March 2019 are the balancing figures between audited figures for the full financial year and the reviewed year to date figures upto the third quarter of the respective financial years.

For and on behalf of Nitta Gelatin India Limited

  
Sajiv K. Menon  
Managing Director  
DIN : 00168228

Kochi  
8 June 2020



# Walker Chandiook & Co LLP

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Kerala, India

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## Independent Auditor's Report on Standalone Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

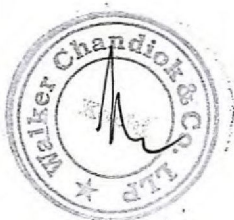
To the Board of Directors of Nitta Gelatin India Limited

### Opinion

1. We have audited the accompanying standalone annual financial results ('the Statement') of Nitta Gelatin India Limited ('the Company') for the year ended 31 March 2020, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations'), including relevant circulars issued by the SEBI from time to time.
2. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
  - (i) presents financial results in accordance with the requirements of Regulation 33 of the Listing Regulations, and
  - (ii) gives a true and fair view in conformity with the applicable Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 ('the Act'), read with relevant rules issued thereunder, and other accounting principles generally accepted in India, of the standalone net profit after tax and other comprehensive income and other financial information of the Company for the year ended 31 March 2020.

### Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Statement* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('the ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.



Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

Walker Chandiook & Co LLP is registered with limited liability with identification number AAC-2085 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India

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## Emphasis of Matter - Recoverability of property, plant and equipment

4. We draw attention to note 4 to the accompanying standalone financial results, regarding the carrying value of property, plant and equipment in one of its plant situated at Bharuch, aggregating to ₹ 2,677.78 lakhs (31 March 2019: ₹ 3,066.82 lakhs), net of impairment loss of ₹ 310.73 lakhs (31 March 2019: ₹ Nil) as at 31 March 2020, which is considered as fully recoverable by the management based on the projected operations and expected future cash flows of the plant. However, these are dependent on certain assumptions and estimates considered by the management, the appropriateness of which is dependent upon the realisation of the related business plans. Our report is not modified in respect of this matter.

## Responsibilities of Management and Those Charged with Governance for the Statement

5. This Statement has been prepared on the basis of the standalone annual audited financial statements and has been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income and other financial information of the Company in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India, and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error.
6. In preparing the Statement, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

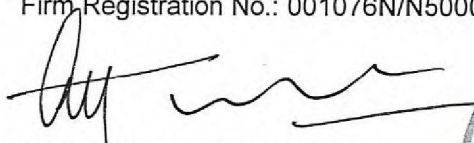
## Auditor's Responsibilities for the Audit of the Statement

8. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing, specified under section 143(10) of the Act, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.
9. As part of an audit in accordance with the Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has in place adequate internal financial controls with reference to financial statements and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
  - Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- Other Matter**
12. The Statement includes the financial results for the quarter ended 31 March 2020, being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subject to limited review by us.

**For Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm Registration No.: 001076N/N500013



**Krishnakumar Ananthasivan**  
Partner  
Membership No. 206229  
UDIN: 20206229AAAABI4894



Place: Kochi  
Date: 8 June 2020

## Independent Auditor's Report on Consolidated Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Nitta Gelatin India Limited

### Opinion

1. We have audited the accompanying consolidated annual financial results ("the Statement") of Nitta Gelatin India Limited ("the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), for the year ended 31 March 2020, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ("Listing Regulations") including relevant circulars issued by the SEBI from time to time.
2. In our opinion and to the best of our information and according to the explanations given to us the Statement:
  - (i) includes the annual financial results of the following one subsidiary:
    - a) Bamni Proteins Limited.
  - (ii) presents financial results in accordance with the requirements of Regulation 33 of the Listing Regulations; and
  - (iii) gives a true and fair view in conformity with the applicable Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder, and other accounting principles generally accepted in India, of the consolidated net profit after tax and other comprehensive income and other financial information of the Group for the year ended 31 March 2020.

### Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those standards are further described in *the Auditor's Responsibilities for the Audit of the Statement* section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.



**Emphasis of Matter - Recoverability of property, plant and equipment**

4. We draw attention to note 4 to the accompanying consolidated financial results, regarding the carrying value of property, plant and equipment of the Holding Company in one of its plant situated at Bharuch, aggregating to ₹ 2,677.78 lakhs (31 March 2019: ₹ 3,066.82 lakhs), net of impairment loss of ₹ 310.73 lakhs (31 March 2019: ₹ Nil) as at 31 March 2020, which is considered as fully recoverable by the management based on the projected operations and expected future cash flows of the plant. However, these are dependent on certain assumptions and estimates considered by the management, the appropriateness of which is dependent upon the realisation of the related business plans. Our report is not modified in respect of this matter.

**Responsibilities of Management and Those Charged with Governance for the Statement**

5. The Statement, which is the responsibility of the Holding Company's management and has been approved by the Holding Company's Board of Directors, has been prepared on the basis of the consolidated annual audited financial statements. The Holding Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the consolidated net profit after tax and other comprehensive income, and other financial information of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS prescribed under section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors/ management of the companies included in the Group, are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding of the assets of the Group, and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively, for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results, that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial results have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.
6. In preparing the Statement, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the respective Board of Directors/ management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
7. The respective Board of Directors/ management of the companies included in the Group, are responsible for overseeing the financial reporting process of the companies included in the Group.

**Auditor's Responsibilities for the Audit of the Statement**

8. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing, specified under section 143(10) of the Act, will always detect a material misstatement, when it exists. Misstatements can arise from fraud or error, and are considered material if, individually, or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.
9. As part of an audit in accordance with the Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group, to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
  - Obtain sufficient appropriate audit evidence regarding the financial statements of the entities within the Group, to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement, of which we are the independent auditors. We remain solely responsible for our audit opinion.
10. We communicate with those charged with governance of the Holding Company and its subsidiary included in the Statement, of which we are the independent auditors, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

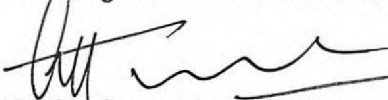
**Other Matters**

12. The Statement includes the consolidated financial results for the quarter ended 31 March 2020, being the balancing figures between the audited consolidated figures in respect of the full financial year and the published unaudited year-to-date consolidated figures up to the third quarter of the current financial year, which were subject to limited review by us.
13. The Statement includes consolidated figures for the corresponding quarter ended 31 March 2019 which are the balancing figures between the audited figures in respect of the full financial year ended 31 March 2019 and the published unaudited year-to-date figures up to the third quarter of the previous financial year, which have been approved by the Holding Company's Board of Directors, but have not been subjected to audit or review.

**For Walker Chandiook & Co LLP**

Chartered Accountants

Firm Registration No.: 001076N/N500013



**Krishnakumar Ananthasivan**

Partner

Membership No. 206229

UDIN: 20206229AAAABJ1096



Place: Kochi

Date : 8 June 2020