



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

May 6, 2022

BSE Ltd.,
Phiroze Jeejeebhoy Towers,
25th Floor, Dalal Street,
Mumbai- 400 001

Dear Sir,

SCRIP CODE: 506532

Sub: Audited Financial Results of the Company for the year ended 31.03.2022 and Recommendation for payment of Dividend

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

The Board of Directors of the Company today (06.05.2022) met and approved among other things, the audited Standalone and Consolidated financial results for the quarter and year ended 31st March, 2022, which alongwith the Auditor's Report thereon, are filed for information of shareholders/ investing public.

We declare that as per Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No: CIR/CFD/CMD/56/2016 dated May 27, 2016, the Statutory Auditors of the Company viz M/s Walker Chandiook & Co, LLP, Chartered Accountants (Firm Registration No: 001076N/N500013) has expressed an unmodified opinion on the Audit Report for the quarter and financial year ended 31st March, 2022.

The Board had also recommended a dividend of Rs. 4/- per Equity Share of face value of Rs.10/- for declaration at the forthcoming Annual General Meeting of the Company, which if declared shall thereafter be paid within the statutory time limit thereof.

The meeting commenced at 10.30 A.M and concluded at 4.30 P.M.

We request that the above information may kindly be taken on records.

Thanking you,
Yours faithfully,
For **NITTA GELATIN INDIA LIMITED**

G. RAJESH KURUP
COMPANY SECRETARY & COMPLIANCE OFFICER

Encl: as above.

Total No. of pages including this- 15



Walker ChandioK & Co LLP

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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 2022, 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').
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') specified under section 133 of the Companies Act, 2013 ('the Act'), read with the Companies (Indian Accounting Standards) Rules, 2015, 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 2022.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing 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 results 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.



Responsibilities of Management and Those Charged with Governance for the Statement

4. This Statement has been prepared on the basis of the standalone annual 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 Ind AS specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 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.
5. 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.
6. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Statement

7. 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.
8. As part of an audit in accordance with the Standards on Auditing, specified under section 143(10) of the Act, 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 an 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



Walker Chandiook & Co LLP

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.
9. 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.
10. 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

11. The Statement includes the financial results for the quarter ended 31 March 2022, 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: 22206229AINAPV6612



Place: Kochi

Date: 6 May 2022

STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2022

(₹ in Lakhs, except per share data)

Sl. No.	Particulars	Quarter ended			Year ended	
		31-Mar-22	31-Dec-21	31-Mar-21	31-Mar-22	31-Mar-21
		Audited	Unaudited	Audited	Audited	Audited
		Note No 8		Note No 8		
1	Income					
	(a) Revenue from operations	11,834.93	11,594.99	9,394.68	42,851.78	35,429.65
	(b) Other income	49.59	136.42	74.74	580.08	462.02
	Total income (a)+(b)	11,884.52	11,731.41	9,469.42	43,431.86	35,891.67
2	Expenses					
	(a) Cost of materials consumed	5,629.65	6,218.59	5,699.33	22,796.89	18,696.37
	(b) Changes in inventories of finished goods and work-in-progress	355.47	(74.01)	(423.91)	(58.68)	118.28
	(c) Employee benefits expense	1,192.36	1,042.93	912.38	4,183.81	3,581.00
	(d) Finance costs	112.77	101.51	90.53	465.42	494.19
	(e) Depreciation and amortisation expense	335.91	341.49	365.12	1,359.45	1,480.94
	(f) Other expenses	3,016.43	2,757.74	2,572.47	10,923.91	9,087.24
	Total expenses	10,642.59	10,388.25	9,215.92	39,670.80	33,458.02
3	Profit before exceptional items and tax (1-2)	1,241.93	1,343.16	253.50	3,761.06	2,433.65
4	Exceptional items	-	-	-	-	-
5	Profit before tax (3 - 4)	1,241.93	1,343.16	253.50	3,761.06	2,433.65
6	Tax expense					
	- Current tax	417.00	395.00	42.00	1,124.00	453.00
	- Minimum alternate tax credit entitlement	-	-	136.60	-	(203.00)
	- Deferred tax (credit)/charge	(43.81)	(2.03)	(79.18)	(22.64)	393.21
7	Profit for the period/ year (5 - 6)	868.74	950.19	154.08	2,659.70	1,790.44
8	Other comprehensive income					
	(i) Items that will not be reclassified subsequently to profit or loss	(78.80)	(33.65)	(82.25)	(176.04)	(127.95)
	Income tax relating to items that will not be reclassified subsequently to profit or loss	23.07	9.81	24.27	51.72	37.85
	(ii) Items that will be reclassified subsequently to profit or loss	(160.22)	88.32	(69.05)	(143.36)	733.08
	Income tax relating to items that will be reclassified subsequently to profit or loss	46.66	(25.72)	20.11	41.75	(213.47)
	Total other comprehensive (loss) / income (net of tax)	(169.29)	38.76	(106.92)	(225.93)	429.51
9	Total comprehensive income for the period/year (7+8)	699.45	988.95	47.16	2,433.77	2,219.95
10	Paid-up equity share capital (Face value of ₹ 10/share)	907.92	907.92	907.92	907.92	907.92
11	Other equity				17,563.76	15,402.36
12	Earnings per Equity Share					
	a) Basic: (₹)	9.57	10.47	1.70	29.29	19.72
	b) Diluted: (₹)	9.57	10.47	1.70	29.29	19.72

Not annualised



STANDALONE AUDITED BALANCE SHEET AS AT 31 MARCH 2022

	Particulars	₹ In Lakhs)	
		As at 31-Mar-2022	As at 31-Mar-2021
		Audited	Audited
A	ASSETS		
1	Non-current Assets		
	(a) Property, plant and equipment	10,179.95	10,778.59
	(b) Capital work-in-progress	711.00	179.67
	(c) Other intangible assets	52.69	22.82
	(d) Financial assets		
	(i) Investments	449.68	444.20
	(ii) Loans	3.80	4.62
	(iii) Other financial assets	387.55	391.72
	(e) Income tax assets (net)	1,156.11	1,520.03
	(f) Other non-current assets	902.50	625.66
	Total - Non-current assets	13,843.28	13,967.31
2	Current Assets		
	(a) Inventories	9,201.53	8,295.36
	(b) Financial assets		
	(i) Trade receivables	7,580.15	5,527.08
	(ii) Cash and cash equivalents	14.70	69.99
	(iii) Bank balances other than cash and cash equivalents	80.41	166.07
	(iv) Loans	2.89	3.61
	(v) Other financial assets	119.45	265.42
	(c) Other current assets	730.87	361.76
	Total - Current assets	17,730.00	14,689.29
	TOTAL ASSETS	31,573.28	28,656.60
B	EQUITY AND LIABILITIES		
	Equity		
	(a) Equity share capital	907.92	907.92
	(b) Other equity	17,563.76	15,402.36
	Total - Equity	18,471.68	16,310.28
	Liabilities		
1	Non-current Liabilities		
	(a) Financial liabilities		
	(i) Borrowings	675.86	2,309.39
	(b) Provisions	329.24	261.37
	(c) Deferred tax liabilities (net)	528.95	155.09
	Total - Non-current liabilities	1,534.05	2,725.85
2	Current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	7,289.58	5,163.18
	(ii) Trade payables		
	a) Total outstanding dues of micro and small enterprises	230.26	400.10
	b) Total outstanding dues of creditors other than micro and small enterprises	1,657.43	1,989.90
	(iii) Other financial liabilities	427.58	360.48
	(b) Other current liabilities	768.16	852.92
	(c) Provisions	413.33	365.65
	(d) Current tax liability (net)	781.21	488.24
	Total - Current liabilities	11,567.55	9,620.47
	TOTAL - EQUITY AND LIABILITIES	31,573.28	28,656.60



STATEMENT OF STANDALONE AUDITED CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2022

Particulars	(` in Lakhs)	
	Year ended 31-Mar-2022	Year ended 31-Mar-2021
	Audited	Audited
A. Cash flows from operating activities		
Profit before tax	3,761.06	2,433.65
Adjustments for:		
Depreciation and amortisation expense	1,359.45	1,480.94
(Gain)/loss on disposal of Property, plant and equipment (net)	(0.45)	45.20
Provision for impairment on Plant and Equipment	22.00	200.00
Finance costs	465.42	494.19
Interest income	(15.63)	(34.44)
Dividend income from non-current investments	(175.17)	(332.80)
Liabilities no longer required written back	(12.47)	-
Reversal of allowances for expected credit loss on trade receivables	-	(12.00)
Unrealised foreign exchange loss/ (gain) (net)	4.94	(5.53)
Operating profit before working capital changes	5,409.15	4,269.21
Adjustments for working capital changes:		
Increase in trade receivables, other financial assets and other current assets	(2,621.56)	(1,835.37)
(Increase)/Decrease in inventories	(906.17)	33.48
Decrease in trade payables, other financial liabilities and other current liabilities	(506.08)	(510.29)
(Decrease)/Increase in provisions	(65.97)	10.88
Cash generated from operations	1,309.37	1,967.91
Income taxes refund/ (paid) (net)	22.89	(454.69)
Net cash generated from operating activities - (A)	1,332.26	1,513.22
B. Cash flows from investing activities		
Payments for purchase of Property, plant and equipment and capital work-in-progress	(1,426.96)	(709.30)
Proceeds from disposal of Property, plant and equipment	2.20	1.15
Decrease/(Increase) in other bank balances with maturity more than three months	85.66	(4.74)
Interest received	14.52	35.94
Dividend received	175.17	332.80
Net cash used in investing activities - (B)	(1,149.41)	(344.15)
C. Cash flows from financing activities		
Proceeds from current borrowings (net)	641.02	242.18
Repayment of non-current borrowings (net)	(282.71)	(769.80)
Dividend paid	(270.30)	(227.59)
Interest paid	(326.15)	(441.83)
Net cash used in financing activities - (C)	(238.14)	(1,197.04)
Net decrease in cash and cash equivalents - (A)+(B)+(C)	(55.29)	(27.97)
Cash and cash equivalents at beginning of the year	69.99	97.96
Cash and cash equivalents at the end of the year	14.70	69.99
	(55.29)	(27.97)

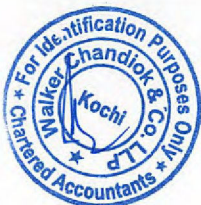
Components of Cash and cash equivalents

a) Cash on hand	2.20	2.11
b) Balance with banks :		
- in current accounts	12.50	27.72
- in deposit accounts with a maturity of less than three months	-	40.16
Cash and cash equivalents	14.70	69.99

Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities

Particulars	As at March 31 2020	Cash flows	Non cash changes	As at March 31 2021
Non-current borrowings (including current maturities)	3,597.42	(769.80)	67.77	2,895.39
Current borrowings	4,317.00	242.18	18.00	4,577.18

Particulars	As at March 31 2021	Cash flows	Non cash changes	As at March 31 2022
Non-current borrowings (including current maturities)	2,895.39	(282.71)	138.47	2,751.15
Current borrowings	4,577.18	641.02	(3.91)	5,214.29



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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 rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015, as amended.
- 2 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.
- 3 Performance of the plant in Reva Division, Bharuch of the Company is reported as a cost centre for products used captively for manufacture of Gelatin and profit centre for products sold to external customers (including Group Company). In the opinion of the management the utilisation of the capacity in this plant is important to ensure that the Gelatin capacity of the Company is fully utilised.
In view of the existence of certain indicators of impairment of assets of the Company in this plant, the Company was conducting impairment testing of the carrying value of all Property, Plant and Equipment in this plant till 31 December 2021 in the manner prescribed in Ind AS 36 and necessary provision for impairment of assets was carried in the books.
As directed by the Board of Directors vide their meeting dated 7 February 2022, management performed a comprehensive technical and financial evaluation to identify the fundamental cause behind the lower margin at the division. To comply with pollution control board guidelines the company needs to incur additional expense to manufacture one of the products exported from the division. The management was not utilising the installed capacity in full due to the higher manufacture cost as mentioned above. In the opinion of management the manufacture and sale of this product would qualify as a cash generating unit (CGU) as per Ind AS 36 as it represents an identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Consequently, an impairment testing of the carrying value of certain identified Property, Plant and Equipment used for manufacture of this product as at 31 March 2022 was carried out in the manner prescribed in Ind AS 36. Based on the cash flow projections made by the company for this CGU, the recoverable amount of the group of assets is determined to be ₹ 209.80 Lakhs as against the carrying amount of ₹ 741.75 Lakhs. The total provision for impairment of assets carried in the books is ₹ 531.95 Lakhs including an additional provision for impairment amounting to ₹ 22.00 Lakhs made during the quarter ended 31 March 2022 and no further provision is considered necessary on this account.
- 4 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 ₹ 4/- per equity share (40% 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.
- 5 The market for Gelatin, Collagen peptide and DCP continues to be robust. Due to COVID-19 restrictions, availability of one of the major raw materials, Crushed Bone, for the gelatin industry continues to be lower than demand whereby the price remains at a very high level and with little attention to quality by many of the suppliers. Due to this, the gross profit margin is lower as compared to the pre-COVID-19 times. In the opinion of the management, this mismatch between demand and supply is likely to ease in future though quality issues are likely to continue for some time. In financial planning, the Company has taken into account the possible impact of COVID-19 on the operations of the Company, including but not limited to its assessment of liquidity and going concern assumption, recoverable values of its financial and non-financial assets and impact on revenues and costs. The Company has been able to effectively manage the operations till now with appropriate safety precautions, with minimal impact of COVID-19 on the plant operations. The Company will continue to closely monitor future developments and take appropriate measures to minimise any adverse impact on the profit margin and to ensure business continuity.
- 6 The management has decided not to opt for the concessional tax rate under Section 115 BAA of the Taxation Laws (Amendment) Ordinance, 2019, in view of the minimum alternate tax credit carried by the Company in the tax books.
- 7 The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 5 May 2022 and 6 May 2022 respectively. The statutory auditors have expressed an unmodified audit opinion on these standalone financial results.
- 8 Figures for the quarters ended 31 March 2022 and 31 March 2021 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.
- 9 Prior period/year comparatives have been regrouped/reclassified wherever necessary to conform with the current period/year classification.

Place: Kochi
Date: 6 May 2022



For and on behalf of Nitta Gelatin India Limited


Philip Chacko M
Managing Director
DIN : 01219764



Walker Chandiook & Co LLP

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Warriam Road Junction,
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Kerala, India
T +91 484 406 4546

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 2022, attached herewith, 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').
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 entity;
 - 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 the Companies (Indian Accounting Standards) Rules, 2015, 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 2022.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing 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 results 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 has its registered office at L-41 Connaught Circus, Outer Circle, New Delhi, 110001, India

Responsibilities of Management and Those Charged with Governance for the Statement

4. 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 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 and other comprehensive income, and other financial information of the Group in accordance with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors 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.
5. 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 either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
6. The respective Board of Directors 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

7. 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.
8. As part of an audit in accordance with the Standards on Auditing specified under section 143(10) of the Act, 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 system 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.



Walker Chandiook & Co LLP

- 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 results 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 the Statement. We remain solely responsible for our audit opinion.
9. We communicate with those charged with governance of the Holding Company, 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.
10. 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.
11. We also performed procedures in accordance with SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019, issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

Other Matter

12. The Statement includes the consolidated financial results for the quarter ended 31 March 2022, 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.

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No.: 001076N/N500013

Krishnakumar Ananthasivan

Partner

Membership No. 206229

UDIN: 22206229AINAFY6105



Place: Kochi

Date: 6 May 2022

STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2022

(₹ in Lakhs, except per share data)

Sl. No.	Particulars	Quarter ended			Year ended	
		31-Mar-22	31-Dec-21	31-Mar-21	31-Mar-22	31-Mar-21
		Audited	Unaudited	Audited	Audited	Audited
	Note No 8		Note No 8			
1	Income					
	(a) Revenue from operations	14,160.03	13,878.90	10,504.65	50,597.66	39,625.54
	(b) Other income	71.70	149.20	75.68	457.74	143.50
	Total income (a)+(b)	14,231.73	14,028.10	10,580.33	51,055.40	39,769.04
2	Expenses					
	(a) Cost of materials consumed	6,832.47	7,724.93	6,495.20	27,567.25	21,104.46
	(b) Changes in inventories of finished goods and work-in-progress	472.49	(207.30)	(624.43)	(10.50)	(43.74)
	(c) Employee benefits expense	1,328.53	1,185.70	1,075.64	4,745.60	4,129.29
	(d) Finance costs	115.64	105.55	92.09	478.86	503.26
	(e) Depreciation and amortisation expense	355.72	362.12	382.60	1,436.71	1,552.46
	(f) Other expenses	3,286.75	3,012.71	2,827.19	11,921.64	9,991.36
	Total expenses	12,391.60	12,183.71	10,248.29	46,139.56	37,237.09
3	Profit before exceptional items and tax (1-2)	1,840.13	1,844.39	332.04	4,915.84	2,531.95
4	Exceptional items	-	-	-	-	-
5	Profit before tax (3 - 4)	1,840.13	1,844.39	332.04	4,915.84	2,531.95
6	Tax expense					
	- Current tax	585.21	512.43	57.12	1,490.63	552.45
	- Income tax relating to earlier years	-	-	(17.35)	-	(14.71)
	- Minimum alternate tax credit entitlement	-	-	136.60	-	(203.00)
	- Deferred tax (credit)/charge	(55.50)	4.12	(74.23)	(59.49)	404.42
7	Profit for the period/ year (5 - 6)	1,310.42	1,327.84	229.90	3,484.70	1,792.79
8	Other comprehensive income					
	(i) Items that will not be reclassified subsequently to profit or loss	(55.72)	(42.88)	(102.58)	(180.66)	(164.88)
	Income tax relating to items that will not be reclassified subsequently to profit or loss	17.26	12.13	29.37	52.88	47.14
	(ii) Items that will be reclassified subsequently to profit or loss	(195.20)	108.44	(71.05)	(153.80)	814.58
	Income tax relating to items that will be reclassified subsequently to profit or loss	55.47	(30.79)	20.62	44.38	(233.98)
	Total other comprehensive (loss) / income (net of tax)	(178.19)	46.90	(123.64)	(237.20)	462.86
9	Total comprehensive income for the period/year (7+8)	1,132.23	1,374.74	106.26	3,247.50	2,255.65
	Profit for the period attributable to					
	a) Owners of the parent	1,219.77	1,265.05	217.86	3,292.02	1,738.52
	b) Non controlling interest	90.65	62.79	12.04	192.68	54.27
	Other Comprehensive (loss)/ income attributable to					
	a) Owners of the parent	(176.76)	45.60	(120.69)	(235.21)	456.97
	b) Non controlling interest	(1.43)	1.30	(2.95)	(1.99)	5.89
	Total Comprehensive income attributable to					
	a) Owners of the parent	1,043.01	1,310.65	97.17	3,056.81	2,195.49
	b) Non controlling interest	89.22	64.09	9.09	190.69	60.16
10	Paid-up equity share capital (Face value ₹ 10/share)	907.92	907.92	907.92	907.92	907.92
11	Other equity				19,179.49	16,395.05
12	Earnings per Equity Share					
	a) Basic: (₹)	13.43	13.93	2.40	36.26	19.15
	b) Diluted: (₹)	13.43	13.93	2.40	36.26	19.15

Not annualised



CONSOLIDATED AUDITED BALANCE SHEET AS AT 31 MARCH 2022

	Particulars	₹ In Lakhs)	
		As at	As at
		31-Mar-2022	31-Mar-2021
		Audited	Audited
A	ASSETS		
1	Non-current Assets		
	(a) Property, plant and equipment	10,662.64	11,244.29
	(b) Capital work-in-progress	711.00	185.48
	(c) Other intangible assets	61.51	31.69
	(d) Financial assets		
	(i) Investments	99.68	94.20
	(ii) Loans	3.80	4.62
	(iii) Other financial assets	428.93	434.60
	(e) Deferred tax assets	28.21	18.38
	(f) Income tax assets (net)	1,213.82	1,536.74
	(g) Other non-current assets	902.50	632.20
	Total - Non-current assets	14,112.09	14,182.20
2	Current Assets		
	(a) Inventories	10,262.20	9,288.93
	(b) Financial assets		
	(i) Trade receivables	8,882.91	6,252.25
	(ii) Cash and cash equivalents	209.29	92.43
	(iii) Bank balances other than cash and cash equivalents	95.17	174.80
	(iv) Loans	2.89	3.61
	(v) Other financial assets	125.85	282.65
	(c) Other current assets	858.75	388.43
	Total - Current assets	20,437.06	16,483.10
	TOTAL ASSETS	34,549.15	30,665.30
B	EQUITY AND LIABILITIES		
	Equity		
	(a) Equity share capital	907.92	907.92
	(b) Other equity	19,179.49	16,395.05
	Equity attributable to owners of the parent	20,087.41	17,302.97
	Non controlling interests	443.38	290.19
	Total - Equity	20,530.79	17,593.16
	Liabilities		
1	Non-current Liabilities		
	(a) Financial liabilities		
	(i) Borrowings	675.86	2,309.39
	(b) Provisions	383.89	334.96
	(c) Deferred tax liabilities	494.34	151.31
	Total - Non-current liabilities	1,554.09	2,795.66
2	Current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	7,938.88	5,698.99
	(ii) Trade payables		
	a) Total outstanding dues of micro and small enterprises	162.93	220.49
	b) Total outstanding dues of creditors other than micro and small enterprises	1,921.42	2,238.50
	(iii) Other financial liabilities	427.61	366.16
	(b) Other current liabilities	778.86	862.20
	(c) Provisions	436.95	387.79
	(d) Current tax liability (net)	797.62	502.35
	Total - Current liabilities	12,464.27	10,276.48
	TOTAL - EQUITY AND LIABILITIES	34,549.15	30,665.30



STATEMENT OF CONSOLIDATED AUDITED CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2022

	Particulars	₹ In Lakhs)	
		Year ended 31-Mar-2022	Year ended 31-Mar-2021
A.	Cash flows from operating activities:		
	Profit before tax	4,915.84	2,531.95
	Adjustments for:		
	Depreciation and amortisation Expense	1,436.70	1,552.45
	Loss on disposal of Property, plant and equipment (net)	0.51	46.66
	Finance costs	478.86	503.26
	Provision for impairment on Plant and Equipment	22.00	200.00
	Interest income	(17.79)	(37.42)
	Dividend income from non-current investments	(0.17)	(0.30)
	Liabilities no longer required written back	(12.47)	-
	Reversal of allowances for expected credit loss on trade receivables	-	(12.00)
	Unrealised foreign exchange loss/(gain) (net)	3.58	(9.55)
	Operating profit before working capital changes	6,827.06	4,775.05
	Adjustments for changes in working capital :		
	Increase in trade receivables, other financial assets and other current assets	(3,007.25)	(1,644.15)
	Increase in inventories	(973.24)	(162.50)
	Decrease in trade payables, other financial liabilities and other current liabilities	(666.36)	(561.61)
	(Decrease)/Increase in provisions	(88.04)	26.98
	Cash generated from operations	2,092.17	2,433.77
	Income taxes paid (net of refund)	(382.45)	(543.21)
	Net cash generated from operating activities - (A)	1,709.72	1,890.56
B.	Cash flow from investing activities:		
	Purchase of Property, plant and equipment, capital work in progress and intangible assets	(1,515.41)	(780.84)
	Proceeds from disposal of Property, plant and equipment	2.20	4.51
	Decrease/(increase) in other bank balances with maturity more than three months	85.66	(4.74)
	Dividend received	0.17	0.30
	Interest received	17.08	39.19
	Investment in bank deposit (net)	(6.04)	-
	Net cash used in investing activities - (B)	(1,416.34)	(741.58)
C.	Cash flow from financing activities:		
	Proceeds from current borrowings (net)	753.59	326.50
	Repayment from non-current borrowings (net)	(282.71)	(769.80)
	Dividend paid	(307.80)	(298.84)
	Interest paid	(339.60)	(450.91)
	Net cash used in financing activities - (C)	(176.52)	(1,193.05)
	Net increase/(decrease) in cash and cash equivalents - (A)+(B)+(C)	116.86	(44.07)
	Cash and cash equivalents at beginning of the year	92.43	136.50
	Cash and cash equivalents at the end of the year	209.29	92.43
		116.86	(44.07)

Components of Cash and cash equivalents

a) Cash on hand	2.45	2.41
b) Balance with banks :		
- in current accounts	206.84	49.86
- in deposit accounts with a maturity of less than three months	-	40.16
Cash and cash equivalents	209.29	92.43

Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities

Particulars	As at March 31 2020	Cash flows	Non Cash changes	As at March 31 2021
Non-current borrowings (including current maturities)	3,597.42	(769.80)	67.77	2,895.39
Current borrowings	4,777.32	326.50	9.17	5,112.99

Particulars	As at March 31 2021	Cash flows	Non cash changes	As at March 31 2022
Non-current borrowings (including current maturities)	2,895.39	(282.71)	138.47	2,751.15
Current borrowings	5,112.99	753.59	(2.99)	5,863.59



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 rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015,as amended.
- 2 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.
- 3 Performance of the plant in Reva Division, Bharuch of the Holding Company is reported as a cost centre for products used captively for manufacture of Gelatin and profit centre for products sold to external customers (including Group Company). In the opinion of the management the utilisation of the capacity in this plant is important to ensure that the Gelatin capacity of the Group is fully utilised.
In view of the existence of certain indicators of impairment of assets of the Group in this plant, the Group was conducting impairment testing of the carrying value of all Property, Plant and Equipment in this plant till 31 December 2021 in the manner prescribed in Ind AS 36 and necessary provision for impairment of assets was carried in the books.
As directed by the Board of Directors of the Holding Company vide their meeting dated 7 February 2022, management performed a comprehensive technical and financial evaluation to identify the fundamental cause behind the lower margin at the division. To comply with pollution control board guidelines the company needs to incur additional expense to manufacture one of the products exported from the division. The management was not utilising the installed capacity in full due to the higher manufacture cost as mentioned above. In the opinion of management the manufacture and sale of this product would qualify as a cash generating unit (CGU) as per Ind AS 36 as it represents an identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Consequently, an impairment testing of the carrying value of certain identified Property, Plant and Equipment used for manufacture of this product as at 31 March 2022 was carried out in the manner prescribed in Ind AS 36. Based on the cash flow projections made by the Group for this CGU, the recoverable amount of the group of assets is determined to be ₹ 209.80 lakhs as against the carrying amount of ₹ 741.75 lakhs. The total provision for impairment of assets carried in the books is ₹ 531.95 lakhs including an additional provision for impairment amounting to ₹ 22.00 lakhs made during the quarter ended 31 March 2022 and no further provision is considered necessary on this account.
- 4 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 4,444,444 redeemable preference shares of ₹ 10 each and a dividend of ₹ 4/- per equity share (40 % 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.
- 5 The market for Gelatin, Collagen peptide and DCP continues to be robust. Due to COVID-19 restrictions, availability of one of the major raw materials, Crushed Bone, for the gelatin industry continues to be lower than demand whereby the price remains at a very high level and with little attention to quality by many of the suppliers. Due to this, the gross profit margin is lower as compared to the pre-COVID-19 times. In the opinion of the management, this mismatch between demand and supply is likely to ease in future though quality issues are likely to continue for some time. In financial planning, the Group has taken into account the possible impact of COVID-19 on the operations of the Group, including but not limited to its assessment of liquidity and going concern assumption, recoverable values of its financial and non-financial assets and impact on revenues and costs. The Group has been able to effectively manage the operations till now with appropriate safety precautions, with minimal impact of COVID-19 on the plant operations. The Group will continue to closely monitor future developments and take appropriate measures to minimise any adverse impact on the profit margin and to ensure business continuity.
- 6 The management of the Holding Company has decided not to opt for the concessional tax rate under Section 115 BAA of the Taxation Laws (Amendment) Ordinance, 2019, in view of the minimum alternate tax credit carried by the Holding Company in the tax books. The Subsidiary company, Bamni Proteins Limited has opted for the said ordinance and has considered the normal tax expenses and deferred tax expenses as per the concessional rate.
- 7 The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 5 May 2022 and 6 May 2022 respectively. The statutory auditors have expressed an unmodified audit opinion on these consolidated financial results.
- 8 Figures for the quarters ended 31 March 2022 and 31 March 2021 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.
- 9 Prior period comparatives have been regrouped/reclassified wherever necessary to conform to current period classification.



For and on behalf of Nitta Gelatin India Limited



Philip Chacko M
Managing Director
DIN: 01219764

Place: Kochi
Date: 6 May 2022