



NIKHIL ADHESIVES LIMITED

An ISO 9001 : 2015 Certified Company

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Sahar Road, Opp. D-Mart, Andheri (E), Mumbai- 400069.
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Website : www.nikhiladhesives.com • CIN : L51900MH1986PLC041062



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

Date: 13th November, 2024

Scrip Code: 526159 – Nikhil Adhesives Limited

Sub : Investor/Analyst Presentation -Compliance under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir / Madam,

In pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith a copy of the investor presentation to Investors for its Un-audited Standalone Financial Results for the quarter and half year ended on 30th September, 2024.

The presentation may also be accessed on the website of the company www.nikhiladhesives.com

This is for your information, and you are requested to bring this to the notice of your constituents and take the above information on your record.

Thanking you,

Yours faithfully,
For **Nikhil Adhesives Limited**,

Rajendra Sanghavi
Wholetime Director
DIN: 00245637

Nikhil Adhesives Ltd.



INVESTOR PRESENTATION

Q2' FY25 | November 13, 2024



Company Overview

About Nikhil Adhesives

Nikhil Adhesives is a distinguished, home-grown leader in the highly competitive adhesives and specialty chemicals industry, catering to a wide spectrum of clients across both B2B and B2C markets.

With an expanding footprint internationally, we have become a trusted name, committed to meeting the diverse needs of our customers around the globe.

Our dedicated commitment towards research and development has resulted in becoming the largest manufacturer of a ground breaking 100% import substitute product (Mahacol RDP).



40+

YEARS OF PRESENCE



135,000

TONS OF ANNUAL
MANUFACTURING
CAPACITY



1000+

HAPPY CLIENTS

Nikhil Adhesives at a Glance

Mehatpur & Tumkur Plant

Mehatpur & Tumkur Plant established

2019

Dahanu Plant

Dahanu Plant established

1986

1992

Listed on BSE

Listed on Bombay Stock Exchange (BSE)

Acquisition of Mafatlal Dyes

Mafatlal Dyes & Chemicals Erstwhile
Hoechst Dyes & Chemicals LTD.

2003

2007

Silvassa Plant

Silvassa Plant established

2012

Dahej Plant

Dahej Plant established

2023

India's first RDP Plant

India's first RDP plant with capacity of 12000 MTPA in 2023

New R & D Center

R & D Center at Turbhe, Navi Mumbai

2024

Construction Chemicals

25 New Products

PAN India Presence

📍 Corporate Office, Andheri (Mumbai)

📍 Technology center, Turbhe (Navi Mumbai)

📍 21 Depots (Warehouses)



📍 **Manufacturing Plant (168KTA Capacity)**

Dhanu (6K MTPA)

Silvassa (10k MTPA)

Dahej Emulsions (60K MTPA)

Bangalore 570-A Adhesives & Chemicals (24k MTPA)

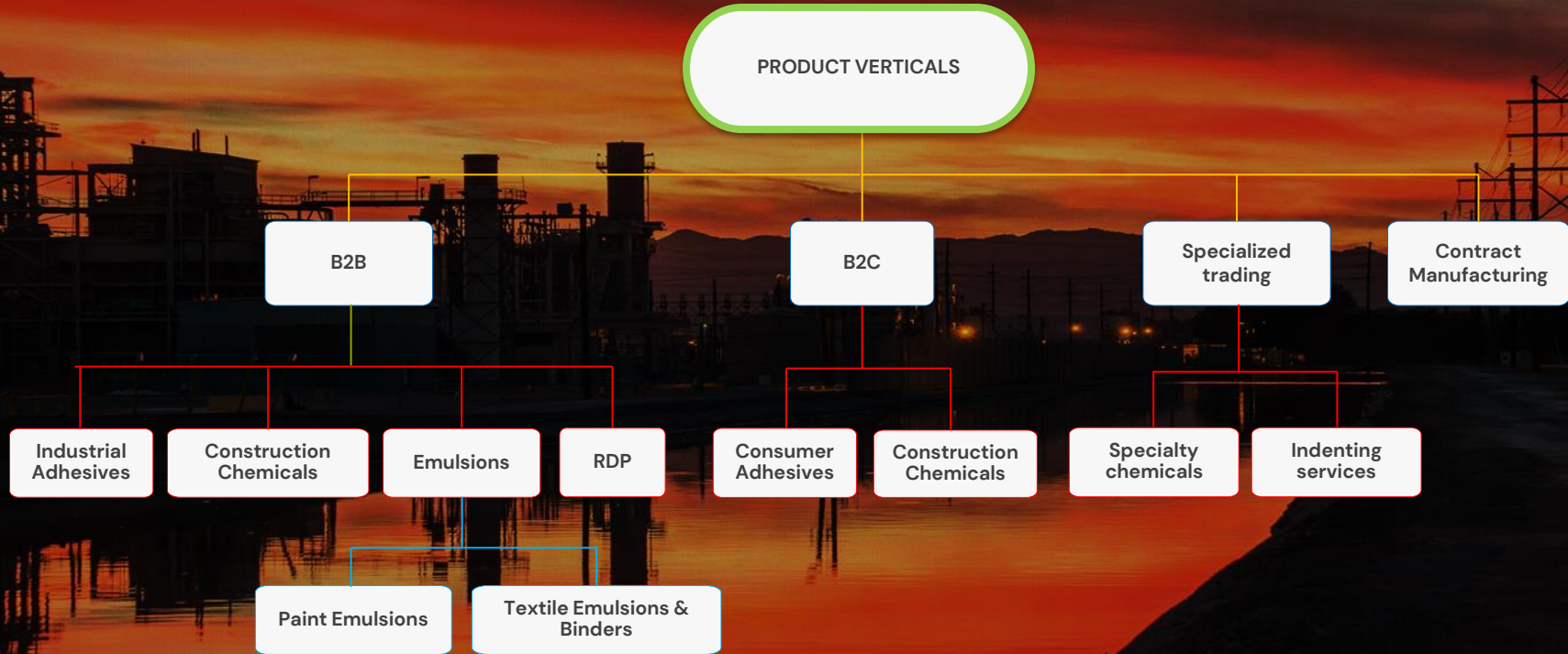
Mehatpur HP (8.4K MTPA)

RDP (12K MTPA)

Bangalore 570B (14.4K MTPA)

Manufacturing capacity of 135k MTPA at 5 different plants with depots all over the country to serve as many customers as we can.

Diverse Product Portfolio



B2B Product Portfolio



Emulsions

71+ PRODUCTS

Water-based formulations used in modern paints and textile products, It enhances product performance and allows for greater customization to meet the demands of various industries.

- ✓ Environment friendly
- ✓ Enhances performance and customization
- ✓ Cost-effective choices for diverse applications.



Industrial Adhesives

42+ PRODUCTS

Our range of adhesives mainly for packaging perfectly suited for industries ranging from tape adhesives, automotive, electronics and beyond.

- ✓ Excellent bonding
- ✓ Reduces manufacturing complexity
- ✓ Improved aesthetic appearance



Construction Chemicals

25+ PRODUCTS

An essential component of modern construction practices, offering a wide range of benefits across various construction applications by improving the durability, and sustainability of structure.

- ✓ Sustainable and energy efficient
- ✓ Resistance to environmental stressors
- ✓ Enhances durability and longevity of structures



RDP (100% import substitute)

1+ PRODUCTS

RDP is a polymer emulsion created through process such as high temperature chemical reaction, spray drying and surface treatment to powdered thermoplastic resin materials.

- ✓ Improve the compressive strength and bonding performance of mortar.
- ✓ The addition of the emulsion powder (RDP) increases the elongation of the mortar and thus improves the impact toughness of the mortar.

The company is moving on the path of enhanced profitability & sustainability, while also transitioning to specialty emulsions and additives with a focus on thickeners & binders.

B2C Product Portfolio



Mahacol Wood Adhesives

13+ PRODUCTS

Mahacol provides wide range of adhesives used for all types of woodworking. It is one of the oldest adhesives in India which is developed using German technology.. It is trusted by more than 80K+ contractors all over India.

- ✓ Excellent coverage, bond strength and quick drying technology
- ✓ Multiple products available for diverse applications and climatic conditions
- ✓ Used to stick ply, laminate, veneers, wood, glass and much more
- ✓ Budget option for Regular Application



Mahafix Construction Chemicals

25+ PRODUCTS

MAHAFIX offers a wide range of innovative construction chemicals like Concrete Additives, Waterproofing, Tile Adhesives, Flooring, Repair and Rehabilitation Chemicals, Sealants, Grouting chemicals and Special Coatings.

- ✓ Enhances the performance, durability, and aesthetics of structures.
- ✓ Prevent water from penetrating under the concrete and other surfaces
- ✓ Helps to improve strength and durability
- ✓ Plays a vital role in repair and rehabilitation of structures with bonding agents, primers, Admixtures, corrosion inhibitors, anti-corrosive coatings, and grouts.

Your company is an emerging player in B2C segment by constantly improving the market share.

MAHAFIX Expanding Construction Chemicals

One Stop Solution For All Your
Needs



PRODUCTS IN PIPELINE

We have **launched 25 new products in H1'25**, with 10 more exciting launches planned by year-end.

ADDITIONAL FOCUS ON R&D

We've committed an ambitious capital expenditure to revolutionize our plants in Dahej through **cutting-edge automation**, propelling us into a new era of operational excellence and innovation.

EXPANDING OUR REACH

Within just four months of launching, over **70 distributors have joined** the Mahafix brand. The team aims to **partner with about 350 distributors** by the end of this financial year.



SEALANTS

Advanced formulations for gap-filling and waterproofing in construction applications.



WATER REPELLENTS

Ideal for water repellency of facades



TILE ADHESIVES

Variety of adhesives for ceramic tiles, vitrified tiles and all type of stones and agglomerates.



WATERPROOFING SOLUTIONS

Innovative coatings and membranes for superior water resistance in buildings.



ADMIXTURES

Performance-enhancing additives for improved concrete properties and workability.



GROUTS

Ready to use dry powder with excellent shrinkage resistance and free flowing properties.

MAHACOL RDP (Re-Dispersible Polymer)



Largest Producer

Largest RDP producer in India with 12,000 MTPA capacity. 100% import substitute with limited market competition.



Diverse Applications

Widely used in construction projects for the following dry-mix mortars like Bonding mortar, Plastering mortar, Masonry mortar, Flooring mortar & Special mortars.



Product Benefits

Improves compressive strength and flexural strength of mortar. Offers cost efficiency crucial for modern construction practices.



Market Potential

The Global "Re-dispersible Latex Powder (RDP)" Market is projected to grow at CAGR of 4.47% during 2022-2027.



Specialized Chemical Trading

STATE OF ART INFRASTRUCTURE

With a blend of **cutting-edge technology, state of art R&D and application center, extensive expertise, and robust infrastructure**, we specialize in delivering tailor-made solutions for a wide range of industry chemical requirements.

VALUE ADDED SOLUTION PROVIDER

We serve as a solution provider by **offering value added products** to our existing customers as well to new customers by sourcing the products globally.



STRATEGIC COLLABORATION

Working with producers to leverage their expertise alongside our expansive distribution network, creating maximum value for everyone involved.



INDENTING TRADING

A method where traders act as intermediaries, placing orders on behalf of buyers. We would facilitate and help our customers in material procurement with bulk deals



LOGISTICS COLLABORATION

We will be able to provide high value adding Specialty Chemicals to our large base of customers. Better Inventory Management and lower holding period will help decrease holding costs.

Research & Development

The company is moving towards high value adding sustainable products through constant investment in R&D.

OUR TEAM

We have a set of highly experienced team members across our 5 dedicated R&D Centers

CORE VALUE

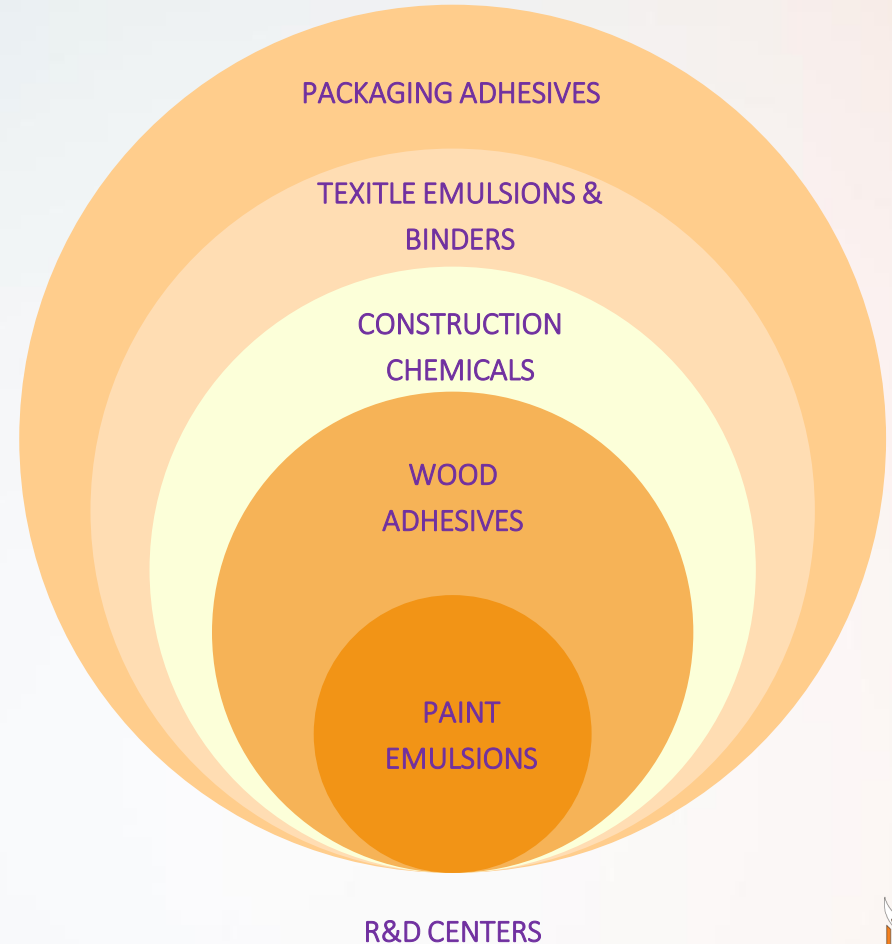
Our R&D approaches are based on our core values of enhancing towards value adding sustainable product

NEXT FOCUS

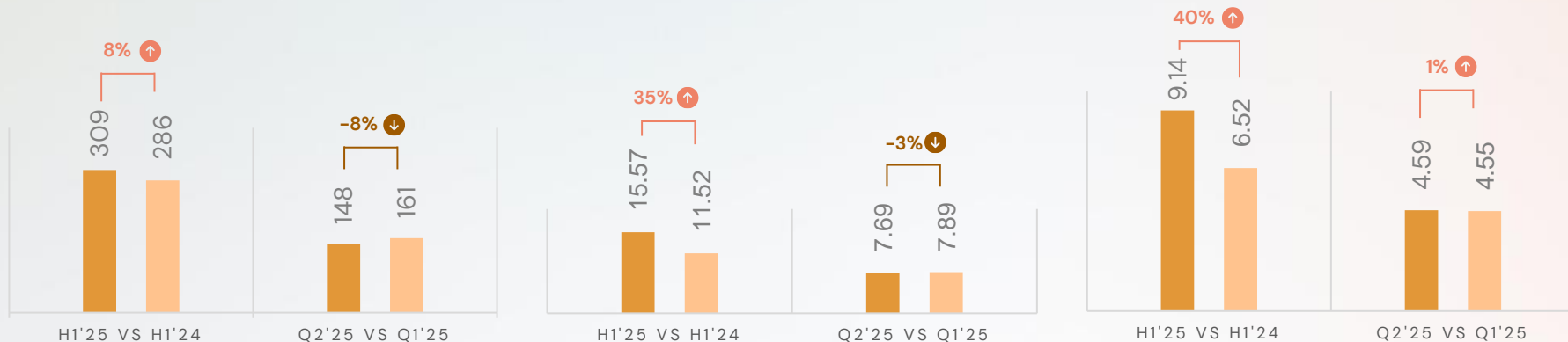
We are actively promoting our R&D efforts to gradually become a one stop solution for entire construction chemical industry

R&D SPEND

Company is investing continuously on enhancing Research & Development to have the first mover advantage in the industry.



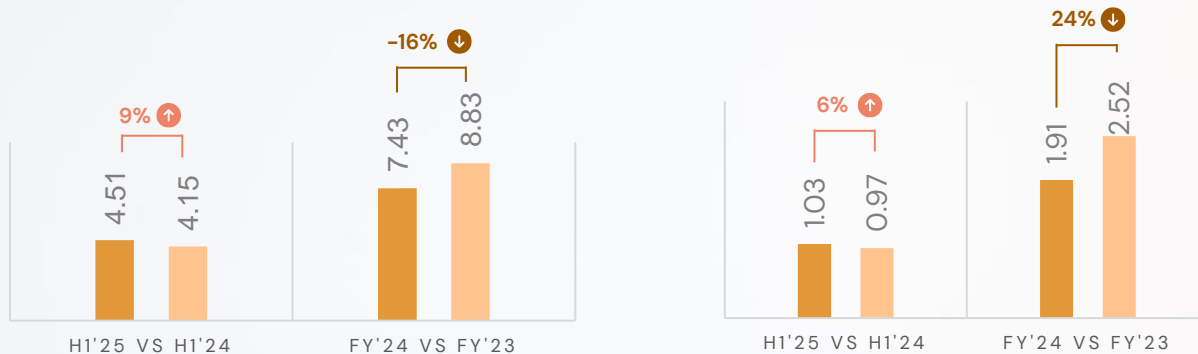
Ratio Analysis



REVENUE (RS. IN CRORES)

OPERATING PROFIT (RS. IN CRORES)

NET PROFIT (RS. IN CRORES)

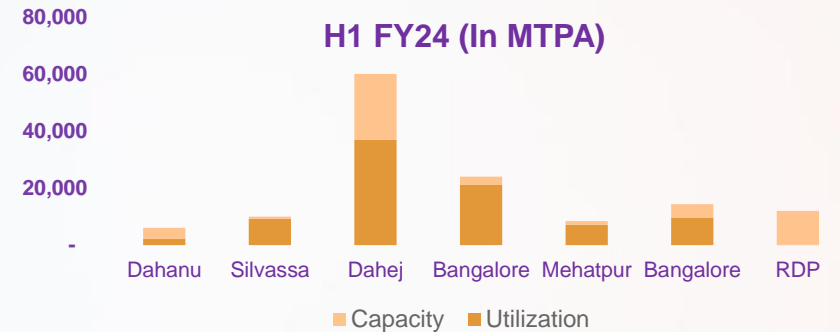
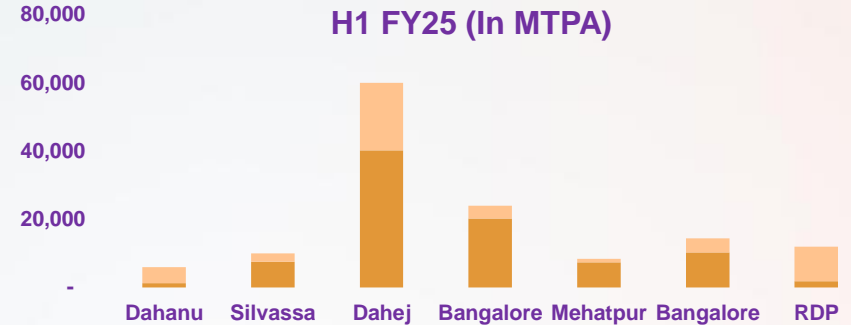


INVENTORY TURNOVER RATIO (X)

ASSET TURNOVER RATIO (X)

Financial Highlights: Quarterly Performance

Particulars (Rs. In Cr.)	Q2 FY25	Q2 FY24	Q1 FY25	H1 FY25	H1 FY24	% YOY
Gross Operating Revenue	147.69	143.81	161.17	308.85	285.89	8.03%
EBITDA	9.51	7.6	9.7	19.21	14.52	32.30%
EBITDA Margin (%)	6.44%	5.28%	6.02%	6.22%	5.08%	22.44%
Depreciation	1.71	1.49	1.68	3.39	2.8	21.07%
Interest	2.05	1.6	1.9	3.95	3.11	27.01%
Profit Before Tax	5.76	4.52	6.12	11.87	8.62	37.70%
Profit After Tax	4.59	3.45	4.55	9.14	6.52	40.18%
Profit After Tax Margin (%)	3.11%	2.40%	2.82%	2.96%	2.28%	29.82%
Basic & Diluted EPS (Rs.)	1.00	0.75	0.99	1.99	1.42	40.14%



Enhancing our Profitability in a Kaizen way

Operational Profit Growth

The company aims to enhance operational margins by 100 basis points by the end of the current fiscal year.



Plant Modernization

The company is investing in the Dahej and Tumkur plants, introducing advanced automation to enhance operational excellence.

Enhancing our Profitability in a Kaizen way



RDP Segment Growth

Your Company is ambitiously targeting breakeven in the RDP segment within the next 2-3 quarters, driven by a strong strategic focus on sustainable growth.



R&D

The company is onboarding experienced leaders to improve its commitment towards R&D and plans to set up a new R&D center for Wood Adhesives.

Management Commentary- Q2 FY25

In Q2, we experienced positive growth in both manufacturing revenue and net profit, reflecting the effective teamwork and execution by our team. Our product mix, strategic partnerships with large corporations, and an increased focus on the B2C segment have contributed positively to our performance.

As the world evolves, we are prioritizing advanced technologies and automation. This year, we are investing approximately 6 crore in automating two of our major plants, which will significantly elevate Nikhil Adhesives Ltd. to the next level.

Looking ahead to Q3, we are concentrating more on enhancing profitability. Additionally, we are investing in R&D for innovation, particularly in construction chemicals and packaging adhesives, to stay competitive and meet evolving market demands.

Key Managerial Personnel



Mr. Umesh Jayantilal Sanghavi
Executive Chairman and Managing
Director



Mr. Rajendra Jayantilal Sanghavi
Executive Whole Time Director



Mr. Tarak Jayantilal Sanghavi
Executive Whole Time
Director



Mr. V. Subramanian
Non Executive Independent Director

Corporate Social Responsibility



1 Project Bachpan

Focuses on early childhood development. Provides educational resources and support to underprivileged children.

2 Project Shakti

Empowers women through skill development. Offers vocational training and entrepreneurship opportunities.

3 Community Impact

Our CSR initiatives have positively impacted number of lives. Promoting sustainable development in local communities.

Our Trusted Partners

Our unparalleled excellence has attracted a host of esteemed partners, each a market leader in their segment, reflecting our reputation as the go-to choice for collaboration and innovation in our industry.



Thank You

For any queries, please contact

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DISCLAIMER

Some statements in this document may be forward-looking. Such statements are subject to certain risks and uncertainties like regulatory changes, local, political or economic developments, and many other factors that could cause actual results to differ materially from those contemplated by the relevant forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks related to an economic downturn in any of the countries where Nikhil Adhesives Limited has its manufacturing and / or commercial footprint.

Nikhil Adhesives may, from time to time, make additional written and oral forward-looking statements, including communication to stakeholders. The company will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.