



# 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: 38/600/252

February 3, 2018

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:- Unaudited Financial Results of the Company  
for the quarter ended 31.12.2017**

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

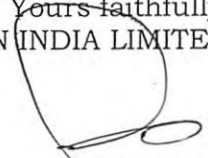
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The Board of Directors of the Company today (31.12.2017) met and approved among other things, the unaudited financial results for the quarter ended 31<sup>st</sup> December, 2017 which, alongwith segment wise Revenue, Results & Capital Employed for the quarter ended 31.12.2017 and Limited Review Report of the Auditors, are filed for information of shareholders / investing public.

The Board meeting ended at 4.00 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 -



Total 7 Pages



**NITTA GELATIN INDIA LIMITED**  
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( Corporate Identification number : L24299KL1975PLC002691 )  
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( ₹ in lakhs, except per share data)

Statement of unaudited financial results for the quarter & nine months ended 31 December 2017						
Sl No	Particulars	Quarter ended			Nine months ended	
		31-Dec-17	30-Sep-17	31-Dec-16	31-Dec-17	31-Dec-16
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
1	<b>Income from operations</b>					
	(a) Revenue from operations	9,492	8,067	8,291	23,780	26,241
	(b) Other income	218	47	34	345	438
	<b>Total Income</b>	<b>9,710</b>	<b>8,114</b>	<b>8,325</b>	<b>24,125</b>	<b>26,679</b>
2	<b>Expenses</b>					
	(a) Cost of materials consumed	4,784	4,851	3,952	13,924	13,401
	(b) Purchases of stock-in-trade	-	117	-	117	-
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	508	(1,119)	269	(1,664)	303
	(d) Excise duty on sales (Refer Note 4)	-	-	291	197	874
	(e) Employee benefits expense	788	776	678	2,279	2,060
	(f) Finance Costs	116	114	128	342	348
	(g) Depreciation and amortisation expense	294	281	268	846	775
	(h) Other expenses	2,307	2,380	2,131	6,658	6,385
	<b>Total Expenses</b>	<b>8,797</b>	<b>7,400</b>	<b>7,717</b>	<b>22,699</b>	<b>24,146</b>
3	<b>(Loss)/Profit from operations before exceptional items (1-2)</b>	<b>913</b>	<b>714</b>	<b>608</b>	<b>1,426</b>	<b>2,533</b>
4	Exceptional items	-	-	-	-	-
5	<b>(Loss)/Profit from ordinary activities before tax (3 - 4)</b>	<b>913</b>	<b>714</b>	<b>608</b>	<b>1,426</b>	<b>2,533</b>
6	Tax expense					
	-Current tax	415	327	268	764	882
	-Tax for earlier years	-	-	-	-	-
	-Deferred tax	(80)	(73)	(59)	(247)	3
7	<b>(Loss)/ Profit from ordinary activities after tax (5 - 6)</b>	<b>578</b>	<b>460</b>	<b>399</b>	<b>909</b>	<b>1,648</b>
8	Extraordinary items	-	-	-	-	-
9	<b>(Loss)/ Profit for the period (7 - 8)</b>	<b>578</b>	<b>460</b>	<b>399</b>	<b>909</b>	<b>1,648</b>
10	Other comprehensive income (net of tax expense)	23	16	-	60	2
11	<b>Total Comprehensive income/ (Loss) for the period (9+10)</b>	<b>601</b>	<b>476</b>	<b>399</b>	<b>969</b>	<b>1,650</b>
12	Paid-up equity share capital (Face value ₹ 10/share )	908	908	908	908	908
13	<b>Earnings/ (loss) per Share (not annualised)</b>					
	a) Basic: (₹)	6.37	5.07	4.39	10.01	18.14
	b) Diluted: (₹)	6.37	5.07	4.39	10.01	18.14



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- 1 The Company has adopted, Indian Accounting Standards prescribed under Section 133 of The Companies Act 2013 (Ind AS) from 01 April 2017 and accordingly these financial results and all the periods presented have been prepared in accordance with the recognition and measurement principles laid down in IND AS 34 - Interim Financial Reporting read with relevant rules issued thereunder and the other accounting principles generally accepted in India and discloses the information required to be disclosed in terms of Regulation 33 of the Securities and Exchange Board of India (Listing and Disclosure Requirements) regulation 2015 and amendment thereon. The opening Balance sheet as at 01 April 2016 and the results for the subsequent periods would be finalised and will be subject to audit at the time of annual financial statements for the year ended 31 March 2018.
- 2 The Company has availed the exemption in respect of submission of Ind AS compliant financial information for the previous year ended 31 March 2017 along with the Statement, in accordance with the SEBI Circular CIR/CFD/FAC/62/2016 dated 5 July 2016. The financial results for the quarter ended 31 December 2016 and the year to date results for the period 1 April 2016 to 31 December 2016 were reviewed by the predecessor auditors and differences in the accounting principles adopted by the Company on transition to Ind AS have been reviewed by the Statutory Auditors.
- 3 The reconciliation of net profit as previously reported (referred to as 'previous GAAP') and the total comprehensive income/ (loss) as per Ind AS for the quarter and nine months ended 31 December 2016 is as per table below:

Particulars	For quarter ended 31 Dec 2016	For nine months ended 31 Dec 2016
	Unaudited	Unaudited
Net profit as per previous GAAP	526	1,603
<b>Ind AS Adjustments</b>		
(i) Measurement of financial assets and liabilities at amortised cost	(41)	(121)
(ii) Measurement of forward contracts	(125)	77
(iii) Measurement of investments at fair value through profit and loss	18	52
(iii) Guarantee commission on corporate guarantees issued to subsidiaries	5	15
(iv) Expected credit Loss on trade receivables	(1)	(4)
(v) Gain/ loss on loans hitherto taken to reserves previously now rectified	(50)	49
(vi) Deferred tax impact on above Ind AS adjustments	67	(23)
<b>Profit after tax as reported under Ind AS</b>	<b>399</b>	<b>1,648</b>
Other comprehensive income (net of tax)	-	2
<b>Total comprehensive income as reported under Ind AS</b>	<b>399</b>	<b>1,650</b>

- 4 According to the requirements of SEBI (Listing and Disclosure Requirements) Regulations 2015, revenue for three months and nine months ended December 31, 2016, nine months ended December 31, 2017, are reported inclusive of excise duty. The Government of India has implemented Goods & Service Tax (GST) from July 01, 2017 replacing Excise Duty, Service Tax and various other indirect taxes. As per IND AS 18, the revenue for the three months ended September 30, 2017 and December 31, 2017, is reported net of GST.





## 5 SEGMENT-WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

(₹ In Lakhs)

Sl No	Particulars	Quarter ended			Nine months ended	
		31-Dec-17	30-Sep-17	31-Dec-16	31-Dec-17	31-Dec-16
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
1	Segment Revenue					
	(a) Segment-A - Export Sales					
	(i) Japan	2,448	1,785	1,133	5,188	4,161
	(ii) United States of America	1,014	481	1,253	2,387	3,836
	(iii) Indonesia	666	874	829	2,256	2,737
	(iv) Rest of the world	576	226	623	1,305	1,914
	Export Incentive	110	77	157	298	513
		4,814	3,443	3,995	11,434	13,161
	(b) Segment-B - Domestic Sales/ Other operating income					
	Total	4,678	4,624	4,296	12,346	13,080
	Less: Inter Segment Revenue	-	-	-	-	-
	<b>Net sales/income from operations</b>	<b>9,492</b>	<b>8,067</b>	<b>8,291</b>	<b>23,780</b>	<b>26,241</b>
2	Segment Results (Profit+)/Loss(-) before tax and interest from each segment					
	(a) Segment-A - Export Sales	1,098	522	782	2,346	3,249
	(b) Segment-B - Domestic Sales	464	427	660	1,300	1,996
	Total	1,562	949	1,442	3,646	5,245
	Less: (i) Interest	116	114	128	342	348
	(ii) Other Un-allocable expenditure net of Un-allocable income	533	121	706	1,878	2,364
	<b>Total (Loss)/Profit before Tax</b>	<b>313</b>	<b>714</b>	<b>000</b>	<b>1,426</b>	<b>1,533</b>

- 6 i) The Company is engaged in the manufacture and sale of products which form part of one product group in both export and domestic markets. Accordingly, revenue earned from these two different markets constitute the primary basis of segmental information.  
ii) Capital employed as also assets and liabilities of the Company are not capable of being stated segment wise since all the assets and liabilities are held under composite undertaking for both the geographic segments.  
iii) Segment results are not capable of being stated by specific geography and hence have not been presented.
- 7 The Board of Directors have approved a scheme of merger of its subsidiary company – Reva Proteins Limited with the company, in their meeting held on 03rd February 2018 in view of the operational synergies emerging out of the said restructuring. The scheme provides for issuance of 44,44,444 Nos of Redeemable Preference shares of Rs. 10/- each to Nitta Gelatin Inc., as consideration for their equity holding of 48,00,000 shares in Reva Proteins Limited. The merger is proposed to be undertaken through a Scheme of amalgamation under Section 230-232 of the Companies Act, 2013 to be filed with the National Company Law Tribunal with the appointed date 1st April 2017 or as maybe directed by the National Company Law Tribunal and is subject to approval by the shareholders, lenders, creditors & other regulatory approvals in this regard. In view of the above, positive networth and cash flows in the near future, no provision has been considered necessary for the loans and advances due from the said Reva Proteins Limited.

During the quarter, based on an independent valuation, the Company has made a provision of Rs. 1704 lakhs as impairment in the carrying value of its investment in Reva Proteins Limited. In accordance with the provisions of IND AS 101, First time adoption of Indian Accounting Standards, the same has been adjusted with the opening reserves as at 1st April 2016.

- 8 The above results, have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on 3rd February 2018 and limited review have been carried out by the Statutory Auditors of the Company.
- 9 Prior period comparatives have been regrouped/reclassified wherever necessary to conform to the presentation in the current period and are compliant with Ind AS. The management has exercised necessary due diligence to ensure that the financial results give a true and fair view.



Kochi  
February 03, 2018

For Nitta Gelatin India Limited

Sajiv K. Menon  
Managing Director  
DIN : 00168228


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( ₹ in lakhs, except per share data)

Sl No.	Particulars	Quarter ended		Nine months ended		Quarter ended		Nine months ended	
		31-Dec-17	31-Dec-16	31-Dec-17	31-Dec-16	31-Dec-17	31-Dec-16	31-Dec-17	31-Dec-16
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
1	Total Income	9,710	8,325	24,125	8,325	26,679	26,679	26,679	26,679
2	Net Profit / (Loss) for the period ( before Tax, Exceptional and Extra ordinary items )	913	608	1426	608	2533	2533	2533	2533
3	Net Profit / (Loss) for the period before Tax ( after Exceptional and Extra ordinary items )	913	608	1426	608	2533	2533	2533	2533
4	Net Profit / (Loss) for the period after Tax ( after Exceptional and Extra ordinary items)	578	399	909	399	1648	1648	1648	1648
5	Total Comprehensive Income for the period (Comprising Profit/ (Loss) for the period (after tax) and Other Comprehensive Income (after tax))	601	399	969	399	1650	1650	1650	1650
6	Equity Share Capital	908	908	908	908	908	908	908	908
7	Earnings Per Share (not annualised)								
	a) Basic: (₹)	6.37	4.39	10.01	4.39	18.14	18.14	18.14	18.14
	b) Diluted: (₹)	6.37	4.39	10.01	4.39	18.14	18.14	18.14	18.14

**Notes:**

- The above results, have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on 3rd February 2018 and limited review have been carried out by the Statutory Auditors of the Company.
- The above is an extract of the detailed format of Quarterly Financial Results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015. The full format of the Quarterly Financial Results are available on the stock exchange website - www.bseindia.com and on the company's website - www.gelatin.in
- The Company has adopted, Indian Accounting Standards prescribed under Section 133 of The Companies Act 2013 (Ind AS) from 01 April 2017 and accordingly these financial results and all the periods presented have been prepared in accordance with the recognition and measurement principles laid down in IND AS 34 - Interim Financial Reporting read with relevant rules issued thereunder and the other accounting principles generally accepted in India and discloses the information required to be disclosed in terms of Regulation 33 of the Securities and Exchange Board of India (Listing and Disclosure Requirements) regulation 2015 and amendment thereon. The opening Balance sheet as at 01 April 2016 and the results for the subsequent periods would be finalised and will be subject to audit at the time of annual financial statements for the year ended 31 March 2018.
- The Board of Directors have approved a scheme of merger of its subsidiary company - Reva Proteins Limited with the company, in their meeting held on 03rd February 2018 in view of the operational synergies emerging out of the said restructuring. The scheme provides for issuance of 44,444 Nos of Redeemable Preference shares of Rs. 10/- each to Nitta Gelatin Inc, as consideration for their equity holding of 48,00,000 shares in Reva Proteins Limited. The merger is proposed to be undertaken through a Scheme of amalgamation under Section 230-232 of the Companies Act, 2013 to be filed with the National Company Law Tribunal with the appointed date 1st April 2017 or as maybe directed by the National Company Law Tribunal and is subject to approval by the shareholders, lenders, creditors & other regulatory approvals in this regard. In view of the above, positive networth and cash flows in the near future, no provision has been considered necessary for the loans and advances due from the said Reva Proteins Limited.
- During the quarter, based on an independent valuation, the Company has made a provision of Rs. 1704 lakhs as impairment in the carrying value of its investment in Reva Proteins Limited. In accordance with the provisions of IND AS 101, First time adoption of Indian Accounting Standards, the same has been adjusted with the opening reserves as at 1st April 2016.
- Prior period comparatives have been regrouped/reclassified wherever necessary to conform to the presentation in the current period and are compliant with Ind AS. The management has exercised necessary due diligence to ensure that the financial results give a true and fair view.
- According to the requirements of SEBI (Listing and Disclosure Requirements) Regulations 2015, revenue for three months and nine months ended December 31, 2016, nine months ended December 31, 2017, are reported inclusive of excise duty. The Government of India has implemented Goods & Service Tax (GST) from July 01, 2017 replacing Excise Duty, Service Tax and various other indirect taxes. As per IND AS 18, the revenue for the three months ended September 30, 2017 and December 31, 2017, is reported net of GST.
- The Company has availed the exemption in respect of submission of Ind AS compliant financial information for the previous year ended 31 March 2017 along with the Statement. In accordance with the SEBI Circular CIR/CFD/62/2016 dated 5 July 2016. The financial results for the quarter ended 31 December 2016 and the year to date results for the period 1 April 2016 to 31 December 2016 were reviewed by the predecessor auditors and differences in the accounting principles adopted by the Company on transition to Ind AS have been reviewed by the Statutory Auditors.

For Nitta Gelatin India Limited  
  
 Sajiv K. Menon  
 Managing Director  
 DIN : 00168228

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## Independent Auditor's Review Report on Quarterly Financial Results and Year to Date Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

### To the Board of Directors of Nitta Gelatin India Limited

1. We have reviewed the accompanying statement of unaudited financial results ('Statement') of Nitta Gelatin India Limited ('the Company') for the quarter ended 31 December 2017 and the year to date results for the period 1 April 2017 to 31 December 2017, being submitted by the Company pursuant to the requirements of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures, applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable {Indian Accounting Standards specified under section 133 of the Companies Act, 2013/Accounting Standards prescribed under section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014 (as amended)} and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, and other recognised accounting practices and policies has not disclosed the information required to be disclosed in accordance with the requirements of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.



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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# Walker Chandiook & Co LLP

4. We draw attention to note 7 to the financial results, regarding the Company's advances to its subsidiary aggregating to INR 719 lacs as at 31 December 2017, which are considered as fully recoverable based on the positive net-worth and expected cash flows in the near future of the subsidiary company as described in the aforesaid note. Accordingly, no provision against the aforesaid balance have been recognised in the accompanying financial results. Our review report is not modified in respect of this matter.
5. The Company had prepared separate financial results for the quarter ended 31 December 2016 and the year to date results for the period 1 April 2016 to 31 December 2016, in terms of the requirements of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in accordance with applicable accounting standards prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and SEBI Circular CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, and other accounting principles generally accepted in India. The financial results for the quarter ended 31 December 2016 and the year to date results for the period 1 April 2016 to 31 December 2016 were reviewed by the predecessor auditors, Varma & Varma, who had issued an unmodified report dated 6 February 2017 on such financial results. These financial results have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have been reviewed by us in respect of financial results for the quarter ended 31 December 2016 and the year to date results for the period 1 April 2016 to 31 December 2016. Our report is not modified in respect of this matter.
6. The Company has availed the exemption in respect of submission of Ind AS compliant financial information for the previous year ended 31 March 2017 along with the Statement, in accordance with the SEBI Circular CIR/CFD/FAC/62/2016 dated 5 July 2016. Hence, the Statement does not include the comparative financial information for the aforementioned period.

*Walker Chandiook & Co LLP*

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013

*[Signature]*  
per Aashesh Arjun Singh

Partner

Membership No. 210122

Bengaluru

3 February 2018

