



Nitta Gelatin India Limited

(Formerly Kerala Chemicals and Proteins Limited)

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

Post Box 4262
56/715 SBT Avenue
Panampilly Nagar
Cochin - 682 036 India
Tel : 0484 2864400, 2317805
Fax : 0484 2310568
Email : ro@nittagelindia.com

GELATIN DIVISION
Post Box 3109
PO Info Park, Kakkanad
Cochin - 682 042 India
Tel : 0484 2869300, 2869500
Fax : 0484 2415504
Email : gd@nittagelindia.com

OSSEIN DIVISION
PO Kathikudam
(Via) Koratty
Trichur - 680 308 India
Tel : 0480 2749300, 2719598
Email : od@nittagelindia.com

CIN : L24299KL1975PLC002691

Website : www.gelatin.in

August 2, 2021

The Secretary
BSE Ltd.,
Phiroze Jeejeebhoy Towers, Fax No. 022 - 22723121 / 22723719
25th Floor, Dalal Street,
Mumbai- 400 001.

Dear Sir,

SCRIP CODE: 506532

Sub: Unaudited Financial Results of the Company for the quarter ended 30.06.2021

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

The Board of Directors of the Company today (02.08.2021) met and approved among other things, the unaudited Standalone and Consolidated financial results for the quarter ended 30th June, 2021, which, alongwith the Limited Review Report of the Auditors, are filed for information of shareholders / investing public.

The meeting ended at 4.30 p.m.

Thanking you,
Yours faithfully,

For NITTA GELATIN INDIA LIMITED

G. RAJESH KURUP
COMPANY SECRETARY

Encl: as above
Total No. of pages including this - 9



Walker Chandio & Co LLP

Walker Chandio & Co LLP
8th Floor, Mudayil Centre Point,
Warriam Road Junction,
MG Road,
Kochi - 682 016
India

T +91 484 406 4541

Independent Auditor's Review Report on Standalone Unaudited Quarterly 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

1. We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of Nitta Gelatin India Limited ('the Company') for the quarter ended 30 June 2021, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. The Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement 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. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. 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 the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, and other accounting principles generally accepted in India, 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 (as amended), 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

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5. We draw attention to note 3 to the accompanying Statement, regarding the carrying value of property, plant and equipment in one of its plants situated at Bharuch, aggregating to INR 2,297.88 lakhs (31 March 2021: INR 2,345.43 lakhs), net of impairment loss of INR 510.73 lakhs (31 March 2021: INR 510.73 lakhs) as at 30 June 2021, which is considered as 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 realization of the related business plans. Our conclusion is not modified in respect of this matter.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013



Krishnakumar Ananthasivan

Partner

Membership No.: 206229

UDIN : 21206229AAAADC3678

Place: Kochi

Date: 02 August 2021



STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2021

(₹ in lakhs, except per share data)

Sl. No.	Particulars	Quarter ended		Year ended	
		30-Jun-21	31-Mar-21	30-Jun-20	31-Mar-21
		Unaudited	Audited (Refer note 5)	Unaudited	Audited
1	Income				
	(a) Revenue from operations	9,109.17	9,394.68	8,292.56	35,429.65
	(b) Other income	130.99	74.74	10.25	462.02
	Total income	9,240.16	9,469.42	8,302.81	35,891.67
2	Expenses				
	(a) Cost of materials consumed	5,200.52	5,699.33	3,270.58	18,696.37
	(b) Changes in inventories of finished goods and work-in-progress	(227.59)	(423.91)	1,189.59	-118.28
	(c) Employee benefits expense	955.27	912.38	858.34	3,581.00
	(d) Finance costs	132.16	90.53	154.29	494.19
	(e) Depreciation and amortisation expense	340.23	365.12	359.11	1,480.94
	(f) Other expenses	2,427.71	2,572.47	2,167.25	9,087.24
	Total expenses	8,828.30	9,215.92	7,999.16	33,458.02
3	Profit before exceptional items and tax (1-2)	411.86	253.50	303.65	2,433.65
4	Exceptional items	-	-	-	-
5	Profit before tax (3 - 4)	411.86	253.50	303.65	2,433.65
6	Tax expense				
	- Current tax	162.00	42.00	64.00	453.00
	- Minimum alternate tax credit entitlement	-	136.60	(64.00)	(203.00)
	- Deferred tax (credit) / charge	(57.90)	(79.18)	84.24	393.21
7	Profit for the period / year (5 - 6)	307.76	154.08	219.41	1,790.44
8	Other comprehensive (loss) / income				
	(i) Items that will not be reclassified to profit or loss	(31.31)	(82.25)	(0.71)	(127.95)
	Income tax relating to items that will not be reclassified to profit or loss	9.32	24.27	0.15	37.85
	(ii) Items that will be reclassified subsequently to profit or loss	(171.84)	(69.05)	454.62	733.08
	Income tax relating to items that will be reclassified subsequently to profit or loss	50.04	20.11	(132.39)	(213.47)
	Other comprehensive (loss) / income (net of tax)	(143.79)	(106.92)	321.67	429.51
9	Total comprehensive income for the period / year (7+8)	163.97	47.16	541.08	2,219.95
10	Paid-up equity share capital (Face value of ₹ 10/share)	907.92	907.92	907.92	907.92
11	Other equity				15,402.36
12	Earnings per equity share (not annualised for quarters)				
	a) Basic: (₹)	3.39	1.70	2.42	19.72
	b) Diluted: (₹)	3.39	1.70	2.42	19.72




Notes:

- 1 These unaudited standalone 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 and SEBI Circular dated 5 July 2016.
- 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 Bharuch was hitherto reported as a profit centre by the management. Consequent to its merger with Nitta Gelatin India Limited, the Board of Directors vide its meeting on 7 May 2021 approved reporting the performance of the plant 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 capacity in this plant is important to ensure that the gelatin manufacturing capacity of the Company is fully utilised. The Company is in the process of improving the profit margin from products sold to external customers from this plant.
The Company continued to carry out an impairment review of the carrying value of Property, Plant and Equipment at this plant situated at Bharuch, aggregating to ₹ 2,297.88 lakhs as at 30 June 2021, net of an impairment loss of ₹ 510.73 lakhs recognized during the previous year/ period ended 31 March 2021 and based on the projected operations and expected future cash flows of the plant, no further provision on this account is considered necessary at this stage.
- 4 The market for gelatin and collagen peptide continues to be robust. Due to COVID-19 restrictions, demand for one of the major raw materials, crushed bone, from the gelatin industry continues to outstrip supply 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 as compared to the pre-COVID-19 times is under pressure. However there is slight increase in the margin for the quarter ended 30 June 2021 compared to the previous quarter. In the opinion of the management, this mismatch between demand and supply together with quality issues is likely to continue till the COVID-19 related restrictions ease.
In its financial planning, the Company has taken into account the possible impact of COVID-19 and the probable impact of third wave 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.
- 5 Figures for the quarter ended 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 that financial year.
- 6 The above standalone financial results have been reviewed by the Audit Committee in the meeting held on 31 July 2021 and approved by the Board of Directors in the meeting held on 2 August 2021. The same has been subjected to limited review by the Statutory Auditors of the Company.

Place: Kochi
Date: 2 August 2021



For and on behalf of Nitta Gelatin India Limited

Sajiv K. Menon
Managing Director
DIN : 00168228



Walker Chandio & Co LLP

Walker Chandio & Co LLP
6th Floor, Modayil Centre Point,
Warriam Road Junction,
MG Road,
Kochi - 682 016
India

T +91 484 406 4541

Independent Auditor's Review Report on Consolidated Unaudited Quarterly 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

1. We have reviewed the accompanying statement of unaudited consolidated financial results ('the Statement') of Nitta Gelatin India Limited ('the Holding Company') and its subsidiary, Bamni Proteins Limited (the Holding Company and its subsidiary together referred to as 'the Group'), for the quarter ended 30 June 2021 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), including relevant circulars issued by the SEBI from time to time.
2. This Statement, which is the responsibility of the Holding Company's management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement 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. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019 issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), to the extent applicable.



Chartered Accountants

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4. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, and other accounting principles generally accepted in India, 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 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to note 3 to the accompanying Statement, regarding the carrying value of property, plant and equipment in one of its plants situated at Bharuch, aggregating to INR 2,297.88 lakhs (31 March 2021: INR 2,345.43 lakhs), net of impairment loss of INR 510.73 lakhs (31 March 2021: INR 510.73 lakhs) as at 30 June 2021, which is considered as 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 realization of the related business plans. Our conclusion is not modified in respect of this matter.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013



Krishnakumar Ananthasivan

Partner

Momborship No.: 206220

UDIN: 21206229AAAADB7974



Place: Kochi

Date: 02 August 2021

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2021

(₹ in lakhs, except per share data)

Sl. No.	Particulars	Quarter ended		Year ended	
		30-Jun-21	31-Mar-21	30-Jun-20	31-Mar-21
		Unaudited	Audited	Unaudited	Audited
1	Income		(Refer note 5)		
	(a) Revenue from operations	10,643.95	10,504.65	9,412.98	39,625.54
	(b) Other income	138.70	75.68	12.08	143.50
	Total income	10,782.65	10,580.33	9,425.06	39,769.04
2	Expenses				
	(a) Cost of materials consumed	6,282.53	6,495.20	3,624.66	21,104.46
	(b) Changes in inventories of finished goods and work-in-progress	(219.53)	(624.43)	1,527.78	(43.74)
	(c) Employee benefits expense	1,095.82	1,075.64	983.33	4,129.29
	(d) Finance costs	135.26	92.09	158.16	503.26
	(e) Depreciation and amortisation expense	358.30	382.60	377.01	1,552.46
	(f) Other expenses	2,656.48	2,827.19	2,368.28	9,991.36
	Total expenses	10,308.86	10,248.29	9,039.22	37,237.09
3	Profit before exceptional items and tax (1-2)	473.79	332.04	385.84	2,531.95
4	Exceptional items	-	-	-	-
5	Profit before tax (3 - 4)	473.79	332.04	385.84	2,531.95
6	Tax expense				
	- Current tax	194.45	57.12	84.81	552.45
	- Income tax relating to earlier years	-	(17.35)	-	(14.71)
	- Minimum alternate tax credit entitlement	-	136.60	(64.00)	(203.00)
	- Deferred tax (credit)/charge	(71.42)	(74.23)	84.82	404.42
7	Profit for the period/ year (5 - 6)	350.76	229.90	280.21	1,792.79
8	Other comprehensive (loss)/ income				
	(i) Items that will not be reclassified to profit or loss	(40.54)	(102.58)	(0.71)	(164.88)
	Income tax relating to items that will not be reclassified to profit or loss	11.64	29.37	0.15	47.14
	(ii) Items that will be reclassified subsequently to profit or loss	(190.60)	(71.05)	524.19	814.58
	Income tax relating to items that will be reclassified subsequently to profit or loss	54.76	20.62	(149.90)	(233.98)
	Other comprehensive (loss)/income (net of tax)	(164.74)	(123.64)	373.73	462.86
9	Total comprehensive income for the period/year (7+8)	186.02	106.26	653.94	2,255.65
	Profit for the period attributable to				
	a) Owners of the parent	336.57	217.86	270.90	1,738.52
	b) Non controlling interest	14.19	12.04	9.31	54.27
	Other comprehensive (loss)/ income attributable to				
	a) Owners of the parent	(161.04)	(120.69)	364.54	456.97
	b) Non controlling interest	(3.70)	(2.95)	9.19	5.89
	Total comprehensive income attributable to				
	a) Owners of the parent	175.53	97.17	635.44	2,195.49
	b) Non controlling interest	10.49	9.09	18.50	60.16
10	Paid-up equity share capital (Face value ₹ 10/share)	907.92	907.92	907.92	907.92
11	Other equity				16,395.05
12	Earnings per equity share (not annualised for quarters)				
	a) Basic: (₹)	3.71	2.40	2.98	19.15
	b) Diluted: (₹)	3.71	2.40	2.98	19.15



[Handwritten Signature]



Notes:

- 1 These unaudited 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 and SEBI Circular dated 5 July 2016.
- 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 Bharuch was hitherto reported as a profit centre by the management. Consequent to its merger with Nitta Gelatin India Limited, the Board of Directors vide its meeting on 7 May 2021 approved reporting the performance of the plant 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 capacity in this plant is important to ensure that the gelatin manufacturing capacity of the Group is fully utilised. The Group is in the process of improving the profit margin from products sold to external customers from this plant. The Holding Company continued to carry out an impairment review of the carrying value of Property, Plant and Equipment at this plant situated at Bharuch, aggregating to ₹ 2,297.88 lakhs as at 30 June 2021, net of an impairment loss of ₹ 510.73 lakhs recognized during the previous year/ period ended 31 March 2021 and based on the projected operations and expected future cash flows of the plant, no further provision on this account is considered necessary at this stage.
- 4 The market for gelatin and collagen peptide continues to be robust. Due to COVID-19 restrictions, demand for one of the major raw materials, crushed bone, from the gelatin industry continues to outstrip supply 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 as compared to the pre-COVID-19 times is under pressure. However there is slight increase in the margin for the quarter ended 30 June 2021 compared to the previous quarter. In the opinion of the management, this mismatch between demand and supply together with quality issues is likely to continue till the COVID-19 related restrictions ease. In its financial planning, the Group has taken into account the possible impact of COVID-19 and the probable impact of third wave 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.
- 5 Figures for the quarter ended 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 that financial year.
- 6 The above consolidated financial results have been reviewed by the Audit Committee in the meeting held on 31 July 2021 and approved by the Board of Directors in the meeting held on 2 August 2021. The same has been subjected to limited review by the Statutory Auditors of the Company.



Place: Kochi
Date: 2 August 2021

For and on behalf of Nitta Gelatin India Limited

Sajiv K. Menon
Managing Director
DIN : 00168228

