

Head Office : Nilkamal House, 77/88, Road No.13/14, M.I.D.C., Andheri (East), Mumbai - 400 093, INDIA. Tel. : (91-22) 4235 8888

Material Handling Division : Fax : (91-22) 2836 1923 ● **E-mail :** marketing@nilkamal.com

Furniture Division : Fax : (91-22) 2835 3556 ● **E-mail :** furniture@nilkamal.com

@home Division : Fax : (91-22) 2837 2787 ● **E-mail :** connect@at-home.co.in ● **Visit us at :** www.nilkamal.com ● **Visit us at :** www.at-home.co.in

Ref: 36AGM/SE

Date: July 16, 2022

To,
The Secretary
BSE Limited,
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai-400 001.

To,
The Secretary
National Stock Exchange of India Limited,
Exchange Plaza, 5th Floor, Plot No. C/1, G
Block, Bandra Kurla Complex, Bandra East,
Mumbai-400 051.

SCRIPT CODE: 523385

SYMBOL: NILKAMAL

**Sub: Chairman Statement made at the 36th Annual General Meeting of
the Company, held on Saturday, 16th July, 2022.**

Dear Sirs,

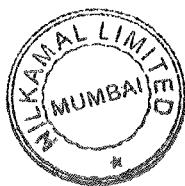
Enclosed please find attached Chairman Statement made at the 36th Annual General Meeting of the Company held on Saturday, 16th July, 2022, at 11.00 a.m, through video conferencing (VC). This is for your information and appropriate dissemination.

Thanking you,

Yours Faithfully,
For Nilkamal Limited



Priti Dave
Company Secretary
Encl.: a.a.



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Ladies and Gentlemen good morning to each one of you,

On behalf of the Nilkamal Board Members and Nilkamal team, I welcome you all to the 36th Annual General Meeting of Company. I thank all the members who have join this meeting today and I hope you and your families are healthy and safe. As the requisite quorum is present, I, as the Chairman, call the Thirty Sixth Annual General Meeting of Nilkamal Limited, to order.

The live streaming of this webcast is also available on NSDL & Company's website. The Company has taken requisite steps to enable members to participate and vote on the resolutions to be considered at this AGM.

In the last 24 months we are confronted with an unparalleled pace of change. The cascading impact of COVID-19 and its ramification on people, society and economy has left us all vulnerable. I am proud of the determination of my colleagues, our partners and stakeholders to face the context and continue to be inspired to grow inspite of the odds.

It gives me immense pleasure, to present the developments of your Company during the financial year 2021-22.

Inspite of the subdued performance during Q1 because of resurgence of Covid 19, the Financial Year 2021-22 saw a good recovery in demand which enabled the Company to achieve a highest ever turnover of ₹ 2,475 Crores, whereas that of the previous year stood at ₹ 1,888 Crores and exhibited a profit after tax of ₹ 79 crores as against ₹ 103 Crores for the FY 20-21. The extreme surge of over 30% in the key Raw Material Prices affected the margins of the Company to a great extent. However, its adverse impact on profitability has been mitigated with an extreme strong volume growth in B2B business of the Company.

On its path of achieving the growth plan and in order to improve delivery time, logistic capabilities and for future readiness it has established regional warehouses at Barjora (east) and Hosur (south), while regional warehouse at Gurgaon (north) became operational on 1st July, 2022. It already has a state of art distribution center at Bhiwandi (west) which has been in operation since February 2021.

Inorder to provide customers with a seamless experience right from the design, functional utility and quality of the ready furniture to its assembling and sales services, the Company has set up a training center at Bhiwandi, wherein assemblers are given training for the same.

For the FY 2021-22 your Company has recommended a final dividend at the rate of 150% i.e. ₹ 15 /- per Equity share of face value of Share of ₹ 10/- each as against total dividend at the rate of 150% i.e. ₹ 15/- per equity share of face value of ₹ 10/- each in the previous year. Total Dividend payout would amount to ₹ 22.38 Crores.



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As on 31st March, 2022, the net worth of the Company stood at ₹ 1119.82 crores and the Net debt of Company stood at ₹ 167.31 crores.

The envisaged capex for the financial year 2022-23 consists of putting up of a greenfield manufacturing facility at Hosur for manufacturing of foam, mattress and sofa at a cost of ₹ 140 Crores and for increase in plastics moulding manufacturing capacity, Modular furniture, steel furniture and racking business at a cost of ₹ 110 crores thus aggregating to ₹ 250 crores.

After a sharp increase in Raw material prices by 30%, recently there has been easing of prices to some extent and the Company expects the said trend to continue during the current financial year which shall be beneficial to the Company.

Your Company continues to be optimistic for a sustainable growth in the forthcoming years to come and has extensive growth plan in place.

The Company is actively making innovative & unique products to stay ahead in both its key businesses that is B2B and B2C. The Company continued to focus on increasing market penetration to ensure that the entire product range are available in deeper pockets of the Country. The Company is pursuing Franchisee Owned Franchisee Operated (FOFO) Retail stores under Nilkamal Furniture Ideas & @home brands. There are in all 112 stores in operations selling Ready Furniture and Mattresses etc. The Company is also buoyant about its position in regards to future growth prospect in the specialized Material Handling Solutions including Pallets, Racking & Shelving Business.

In view of the above, we are optimistic on future prospects and remain confident of improved performance going forward due to resilient demand environment from our end user.

Finally, I would also like to take this opportunity to thank all our employees, business partners, customers & vendors, bankers and other stakeholders for the efforts and contribution to the Company. I would also like to express my gratitude to all our shareholders to have faith in our Company. We look forward to your continued support in the years ahead.

Thank You,

Sharad V. Parekh
Chairman

Mumbai
16th July, 2022