

NILKAMAL



Nilkamal Limited Corporate Presentation



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Nilkamal Limited – A Snapshot

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■ Nilkamal - A dominant industry player

- Incorporated in 1985, and listed on BSE since 1991
- A professionally run company with promoters who have a collective experience of over five decades
- An industry pioneer in introducing new designs for moulded furniture and material handling equipment
- One of the first Indian companies to launch stores catering to home décor, **@home**

■ Comprehensive product range encompassing multiple customer segments

- Varied and diverse product portfolio ensuring presence in multiple customer bases:
 - B2B (material handling), B2C (moulded furniture) and home décor retail (“@home”)

■ Pan-India distribution reach ably complemented by multi-locational manufacturing facilities

- Wide distribution reach facilitated through 77 warehouses; 1,400 distributors; 42 branch & regional offices
- Manufacturing facilities at eight locations across India with a combined production capacity closed to 1,00,000 MTPA

■ Financial performance

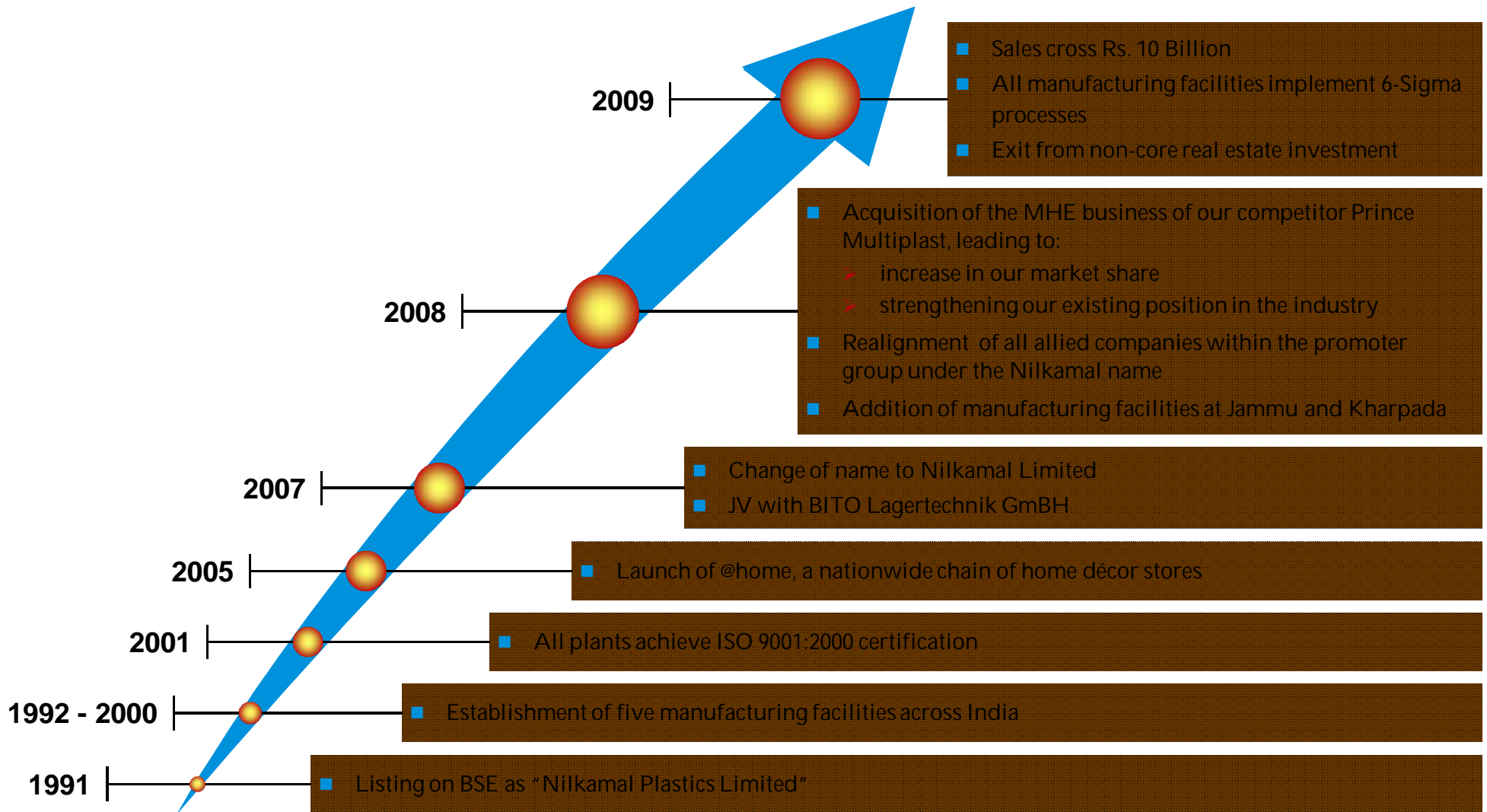
- Total Income* exceeded Rs. 13,000 Million in FY 2011, PAT - Rs. 542 Million

In terms of sales revenue, we believe we are one of India's largest players in the moulded furniture & material handling industry

* Consolidated financials



Our History & Key Milestones



Our Key Businesses

Moulded Furniture

- **Comprehensive product portfolio catering to needs of households & commercial establishments**
 - Chairs, stools, cabinets, dining tables, shoe-racks, planters, etc.
 - Value added furniture such as office seating solutions, storage solutions, ready to assemble furniture, designer chairs, etc.

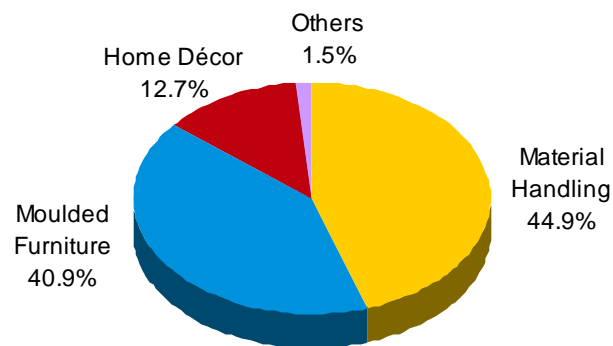
Material Handling

- **'One-stop shop' for material handling solutions**
 - More than 300 different sizes & varieties of plastic crates & boxes;
 - Specialised items for automobile, pharma and hospitality sectors
 - Customised equipment like pallets, forklifts, electrical & manual stackers, hospitality products

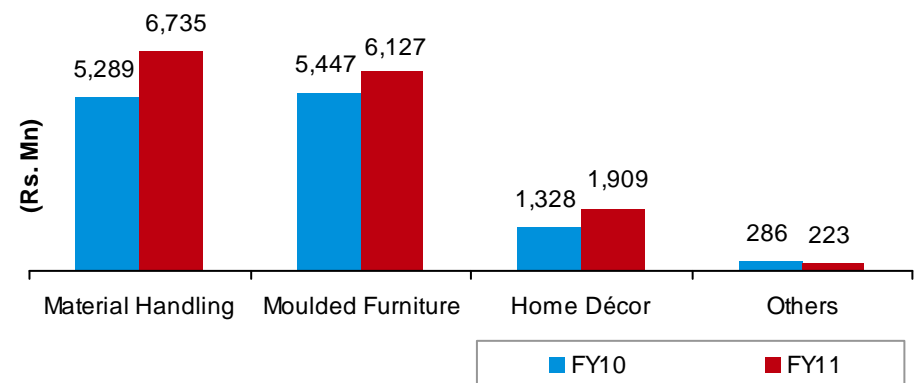
Lifestyle retail @home

- **Maximising the overall home furnishing experience of customers**
 - A wide range of home décor products including furniture, soft furnishings, accessories & modular kitchens
 - Free expert advice on home interior using advanced 3-D software

Division-wise Contribution to Gross Sales (FY 2011)



Division-wise Contribution to Gross Sales – FY 2010-11



Our Moulded Furniture Business

- **A wide range of furniture covering diverse needs of customers**
 - Our product portfolio ranges from chairs to sofa-sets to cabinets
 - Over 200 individual designs in our portfolio
- **We also offer value-added products manufactured by 3rd parties**
 - Approved suppliers ensure that products are available at areas where we do not have manufacturing facilities
 - Products include items made of engineered wood and office seating solutions
- **Focus on quality**
 - Virgin raw material and high quality steel moulds used for manufacture
 - Elaborate quality control measures in place at our facilities to ensure durability of products
- **Nilkamal – A recognised name in the moulded furniture segment**
 - “Top Furniture Exporter of the Year” award by the Plastics Export Promotion Council in 2009

In FY2011, our average monthly sale of plastic furniture exceeded 1.7 million units



Glimpses of Our Furniture Portfolio...

Monoblocks & Non-monoblocks



Value Added Products



Our Material Handling Business

- **A dominant player in the material handling industry**
 - Established track record and strong brand recognition
 - Strong and continued focus in expanding product portfolio
- **Comprehensive product portfolio to meet diverse needs of industries through in-house manufacture as well as strategic tie-ups**
 - Product portfolio broadly comprises of
 - Crates, pallets, polypropylene corrugated boxes, insulated boxes, ballot units and other customized products
 - Pallet trucks, stackers, forklifts, tool kits, waste bins, automated vertical storage and retrieval systems
 - Strategic tie-ups with key global players facilitating inroads into specific needs of industries such as hospitality, automobiles and pharmaceuticals.
- **One of the few companies to offer industry/ client specific customisation**
 - Application specialists work closely with industries to offer customized solutions
 - Continuous focus on developing new and innovative solutions for meeting the needs of industries where we do not have any presence

In FY 2011, our average monthly sale of material handling equipment exceeded 2 million units



Nilkamal: A 'One Stop Shop' for Material Handling Solutions



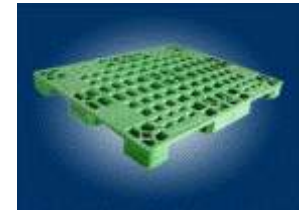
Wash Crate



Forklift



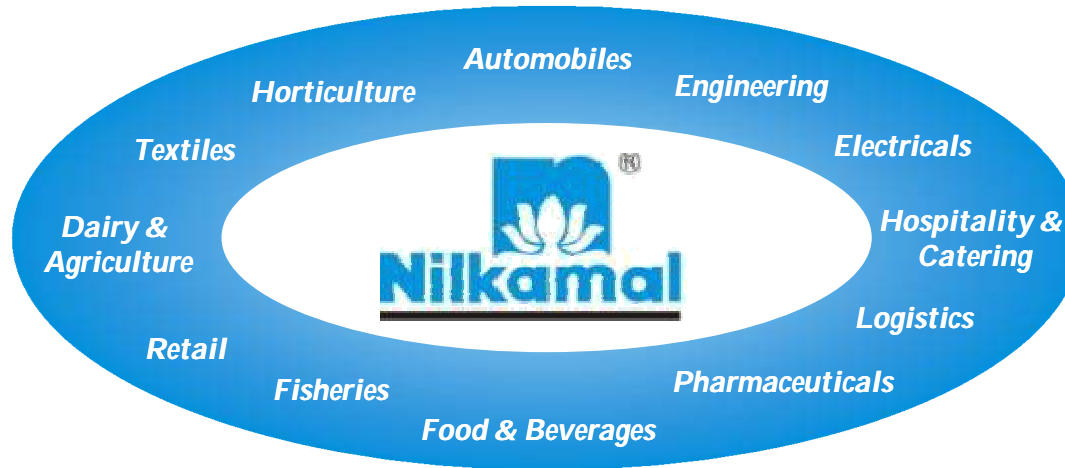
Roto Moulded Crate



Industrial Pallet



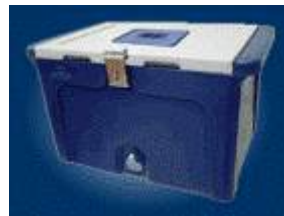
Intralogistic Warehouse Solutions



Customized Crate



Corrugated PP Crate



Insulated Icebox / Shipper



Injection Moulded Crate



Waste Management System Bin

Customised solutions spanning several industry verticals

@home – Our Home Décor Business

- **Pioneers of home décor retailing – focusing on home furniture, furnishings and accessories**
- **One of the few players in India having nationwide presence**
 - 17 stores spread across 12 cities, covering an aggregate carpet area of 289,467 sq.ft.
- **Maximising the overall home furnishing experience of customers**
 - Unique convenience to customers to select and buy coordinated furniture, furnishing and accessories all under one roof
 - Free interior planning services offered to customers using 3D imaging software
- **Setting very high product quality standards**
 - Products subjected to elaborate quality assurance tests in line with international standards: British Standard, Furniture Industry Research Association (UK)
- **Winner of several awards**
 - “Retailer of the Year – 2009” award from Asia Retail Congress
 - “Best Retail Design & Visual Merchandising” award under the Home Improvement category from VM&RD “In Store Asia”

@home – All Furnishing Requirements Under One Roof



Furniture | Furnishings | Home Accessories |
Lights | Flooring | Kitchen



Glimpses of Our @home Stores Across India



◀ Ahmedabad



Hyderabad ▶

Chennai ▶



◀ Bangalore



◀ Coimbatore

Ghaziabad ▶



Our Strategy: “Expand, Enhance, Innovate...”

Expanding the Value Added Product Portfolio of our Furniture Business

- Expand our value-added product range to reach customers who expect beyond the traditionally moulded furniture range
- Introduce ready-to-assemble furniture products and office seating solutions
- Consistently deliver quality products

Enhancing coverage of our Material Handling Equipment Business

- Enhance the scope and coverage of our Material Handling Business
- Leveraging on our existing relationships and strategic global tie-ups to cater to a wider range of industries





Expanding our network of “@home” stores in India by opening additional stores

- To capitalise on the shift in consumer shopping habits, which are more inclined towards convenience, quality, ambience and service
- To widen the scope of the @home range to cover specific products targeted at offices, hotels, cafeterias, service apartments, etc.
- To open an additional 33 @home stores over the next five years

Pursuing Inorganic Growth Opportunities

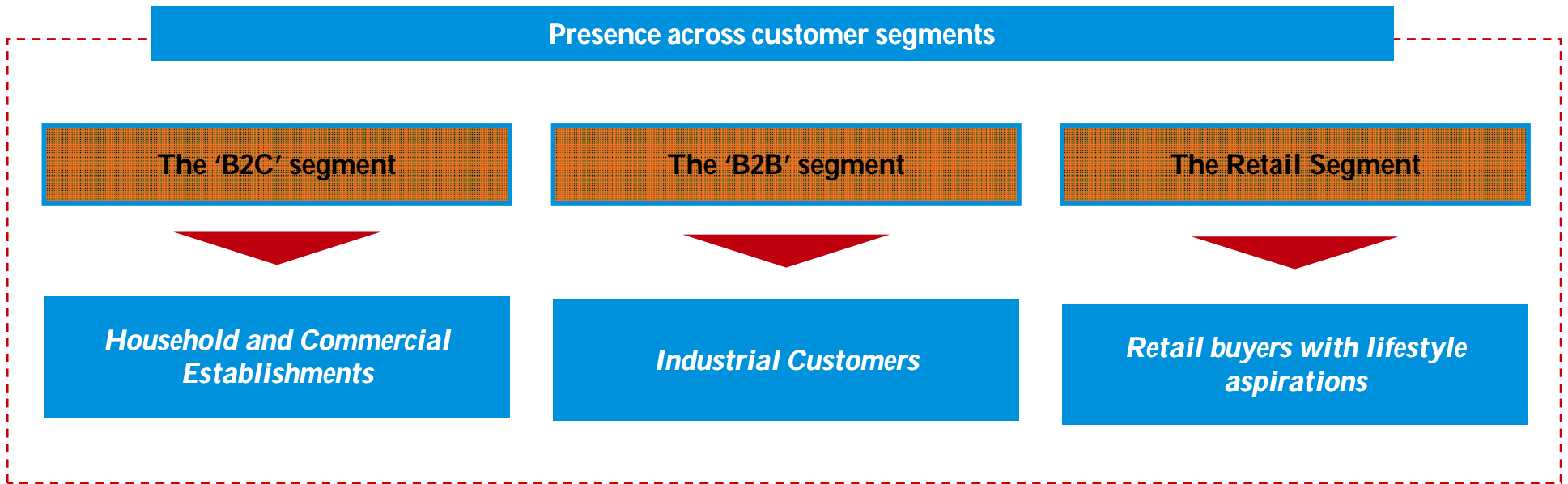
- Expand our business through inorganic means by leveraging on
 - Our in-depth knowledge of different technologies & processes in the plastics industry
 - Our wide marketing and distribution network across the country
 - Our established brand names

Nilkamal Limited – A Compelling Business Story

- 1 Diversified product profile across various segments; Wide Customer Base
- 2 Pan-India reach: Widespread Distribution Network & Manufacturing facilities
- 3 Established Brand Name:  and  THE MEGA HOME STORE
- 4 Robust Internal Systems & IT infrastructure
- 5 Focus on Product Design & Development
- 6 Experienced Promoters & Management Team

1 Diversified Product Profile and Wide Customer Base

- **Comprehensive product portfolio encompassing multiple and mutually exclusive business segments**
 - A varied and diversified product portfolio targeted at multiple business segments
 - More than 300 different sizes and varieties of plastic crates and boxes to meet the requirements of customers
 - 439 registered designs for moulded furniture and material handling products

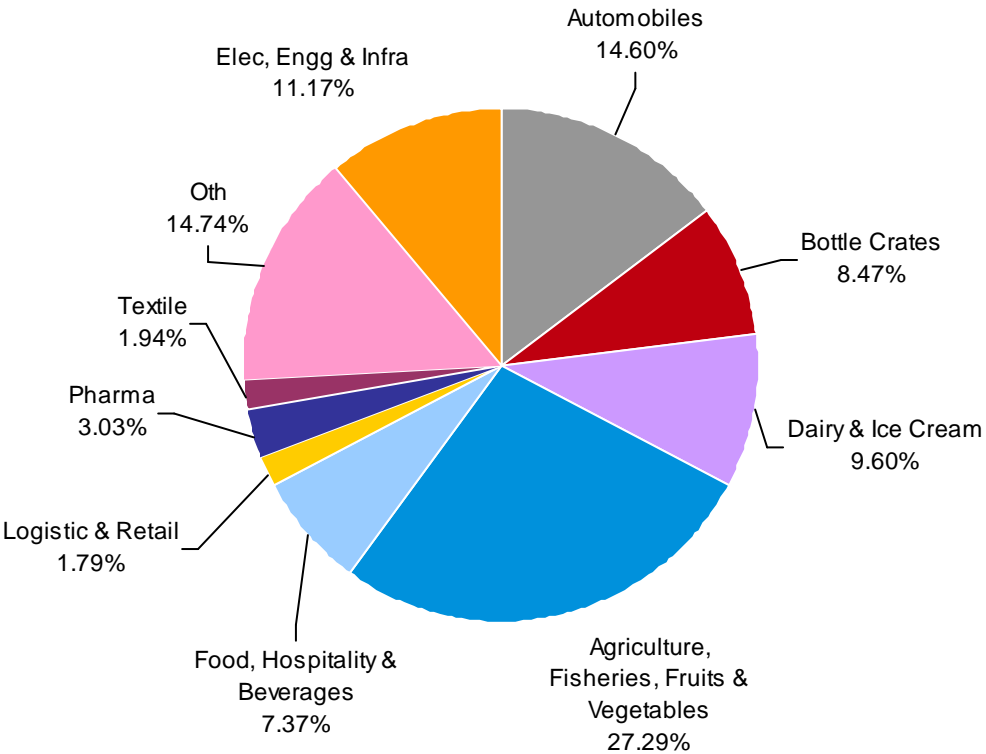


Presence across multiple industries and customer profiles facilitates risk diversification to our business model

1

Diversified Product Profile and Wide Customer Base

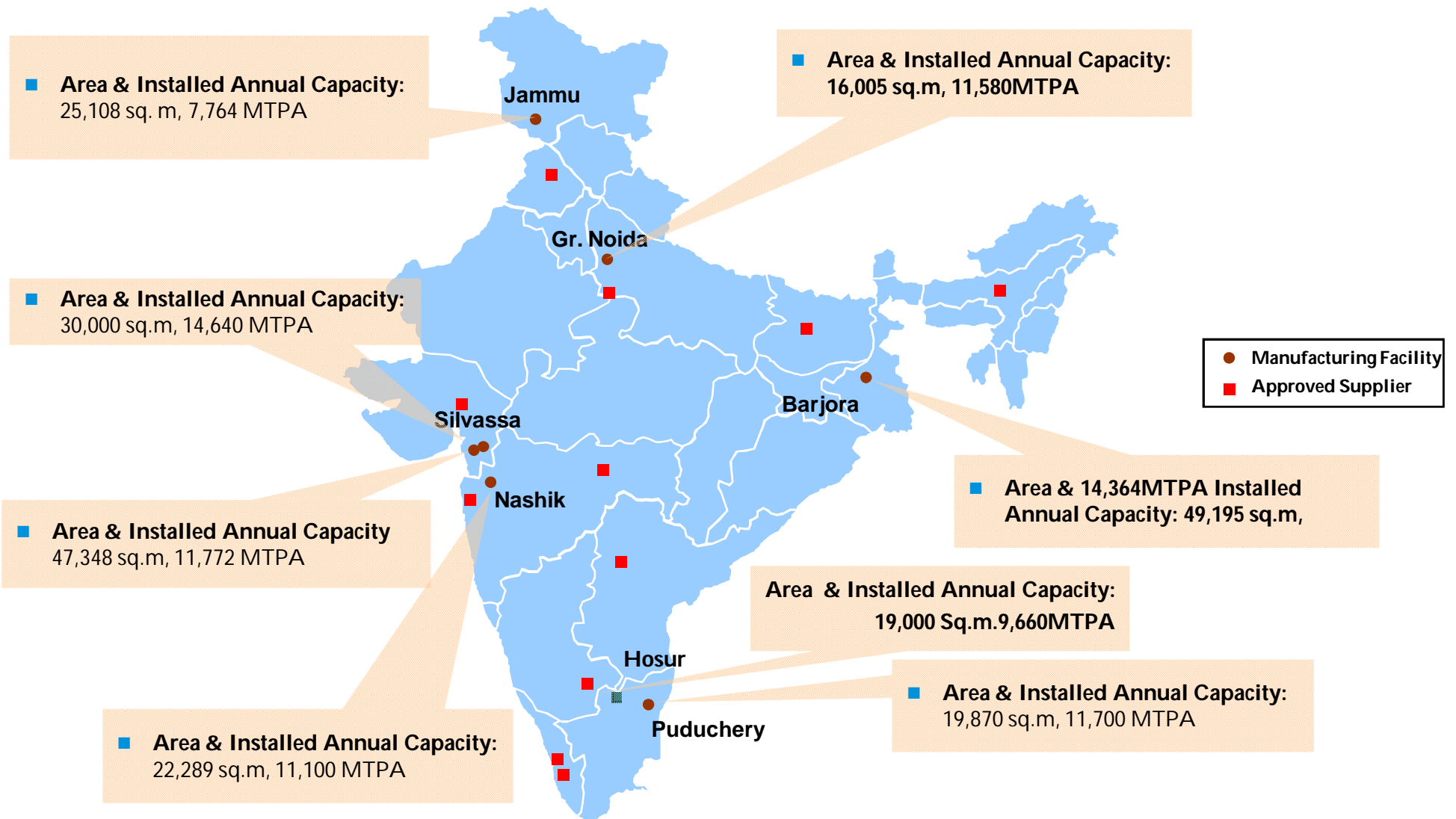
Material Handling Solutions – Industries Catered

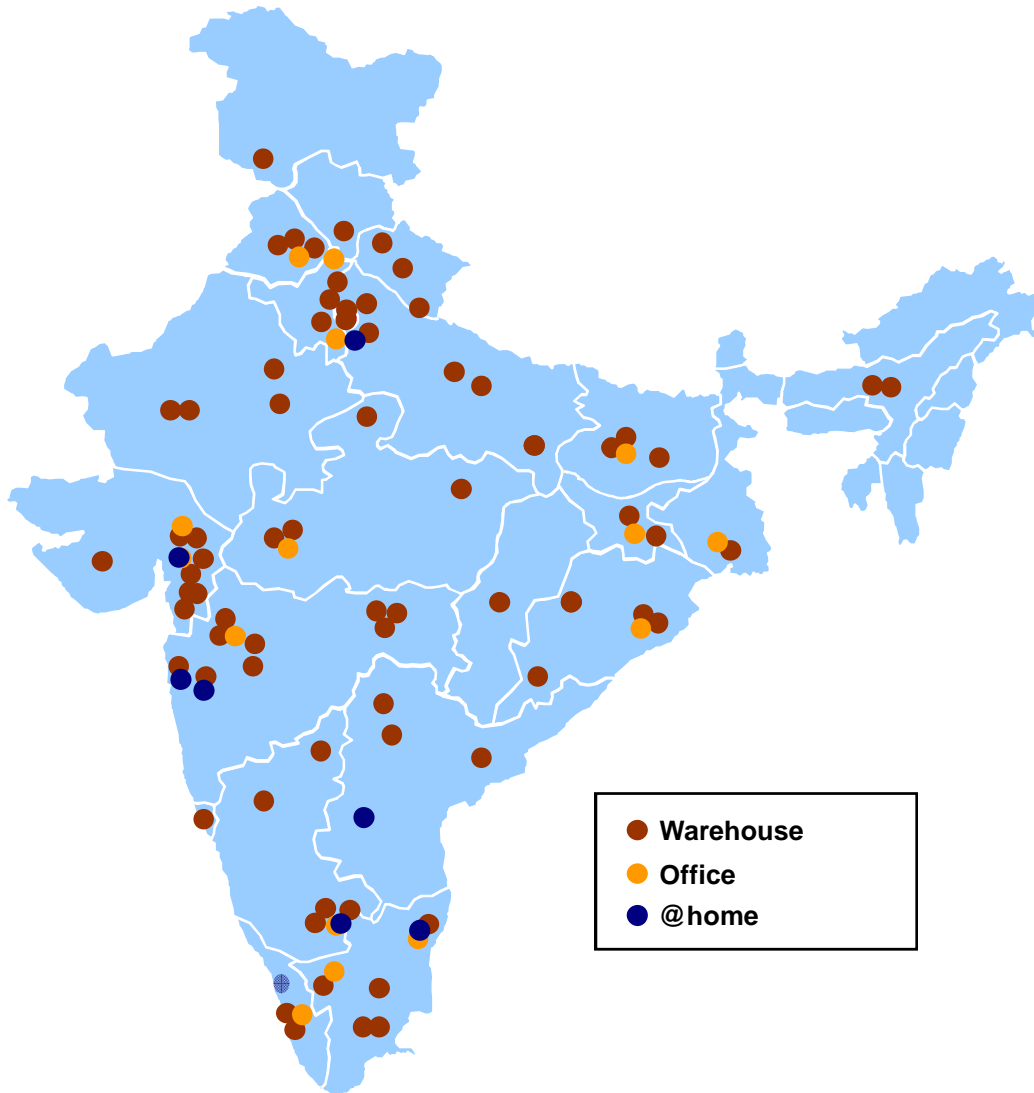


Focused inroads across customer segments

- 1,400 distributors reaching out to all segments (for moulded furniture)
- Direct relationships with customers for material handling business
- Strategic brand building activities for @home through print campaigns, out-of-home media, widespread catalogue distribution, etc.

Eight Manufacturing Facilities Across India...





- **Well established marketing and distribution network across businesses**
 - Facilitates deep market penetration and sharp insights on customer behaviour
 - Acts as entry barrier for new entrants and competition
- **Moulded Furniture**
 - 1,400 distributors across India
- **Material Handling**
 - 310 direct selling force
- **@home**
 - 17 stores
- 42 branch and regional offices and 77 warehouses



- **A trusted name for quality plastic furniture and material handling products**

- Engaged in the material handling and moulded furniture business for nearly two decades
- Comprehensive product portfolio catering to the needs of households & commercial establishments, as well as industrial customers
- Established network and wide customer base

- **Pioneers in introducing home furnishing concept**

- Chain of 16 stores at locations targeted at the aspiring lifestyle customer
- Strong focus on maximising customer experiences, to convert the traditional carpentry customers

- **Winner of several awards**

- “Top Exporter of Plastic Furniture” award for FY 2009 from The Plastic Export Council of India
- “Retailer of the Year – 2009” award from Asia Retail Congress
- “Best Retail Design & Visual Merchandising” award under the Home Improvement category from VM&RD “In Store Asia”

■ Robust IT-infrastructure

- High level of efficiency, control and cost management in business operations through “SAP-R3”
- All manufacturing locations linked to head office and warehouses, facilitating real time production planning, scheduling and materials management
- All @home stores, distribution centres and central warehouse connected real time with each other and to head-office through “SAP-IS” retail software
- Strong supply chain management by optimising inventory levels at warehouses/ stores
- Implemented Sales force cloud CRM for productivity improvement of field personnel and customer centric process
- Real time availability of MIS reports using SAP BI Suite

■ In-store device for quick tracking and retrieval of products

- Portable data terminals at @home stores, which are integrated with the SAP IS retail software
- Facilitates efficient tracking of inventory movement between the distribution centre and the stores

■ Strong support systems

- Manufacturing facilities and stores regularly subjected to internal audits, conducted by an in-house team as well as independent external auditors
- We actively track sales of various products across India to analyse trends, determine slow-moving items, and formulate various selling strategies for optimum inventory management

■ Strong focus on product design

- Dedicated team of 25 employees engaged in product design and development
- Detailed study of target market undertaken before introduction of any new product
- Application specialists work closely with customers to customize solutions to suit their needs
- Extensive use of specialized design software such as AUTOCAD for designing products
- Currently over 400 designs registered with the Controller General of Patents, Designs and Trade Marks

■ Strong thrust on innovation

- Patent-holder for the process of manufacturing plastic furniture in dual colours, rendering a surface finish akin to natural materials such as wood, granite, etc.
- We also target developing innovative solutions for meeting the needs of industries where we do not have any presence
- In-depth knowledge and capability for all manufacturing processes in the moulded plastic industry

■ Committed to quality assurance

- All manufacturing facilities follow stringent quality standards and have elaborate quality control mechanisms in place
- All facilities are ISO:9001 certified and follow 6-Sigma processes
- Quality of products at @home stores in line with global standards set by Furniture Industry Research Association (UK) and British Standard (UK)

5 Committed to Quality Assurance

Drop Test



Static Load Test



Vibration Test



Bend Test



Load Test



Seat Impact Test



Hydraulic Pressure Test



All our manufacturing facilities are all ISO 9001 certified; additionally, our Puducherry Unit is also ISO 14001 certified



5

Strategic Tie-ups with International Players

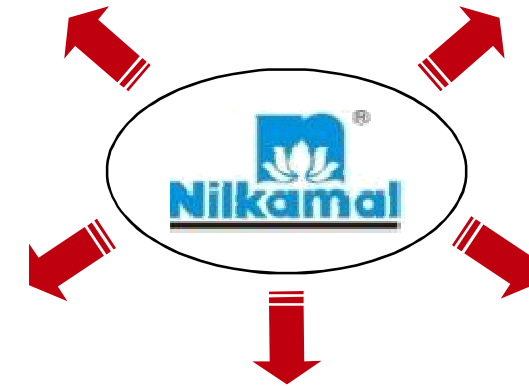
Nilkamal BITO Storage Systems P. Ltd

- JV with BITO Lagertechnik (Germany) for manufacturing metal storage systems
- Plant at Jammu operational since July 2007



Hanel Gmbh, Germany

- Tie-up for supply of vertical automatic storage and retrieval systems



Conteyor Multibag Systems NV, Belgium

- Manufacture of textile partitions for crates and metal racks to provide valuable in-transit protection for scratch sensitive products



CAMBRO Manufacturing Company, USA

- JV with CAMBRO for hospitality products suited for large restaurants and hotels



Plastics Omnimum Systems, France

- Supply of international standard waste bins of all sizes





■ **Mr. Vamanrai Parekh, Chairman**

- One of the visionary founders of Nilkamal Limited
- Degree in Inter-Science, with over 50 years of experience in the plastics industry
- Instrumental in establishing Nilkamal as a well known name in the industry



■ **Mr. Sharad V. Parekh, Managing Director**

- Co-founder of Nilkamal Limited
- Degree in Inter-Commerce, with over 40 years of industrial experience
- Pioneered the material handling business in India



■ **Mr. Hiten V. Parekh, Executive Director**

- Associated with Nilkamal since incorporation, with over 25 years of industrial experience
- Graduate in Commerce with Diploma in Quality Systems & Management
- Responsible for monitoring new project development and day-to-day operations
- Instrumental in launching '@home'



■ **Mr. Manish V. Parekh, Executive Director**

- Graduate in Commerce with 17 years of relevant experience
- Responsible for monitoring the daily functions of the plastic furniture division and @home
- Looks after maintaining the company's nation-wide dealer & distributor network



■ **Mr. Nayan S. Parekh, Executive Director**

- B.S. degree in Plastics Engineering from University of Massachusetts (USA) with over 15 years of experience
- Responsible for monitoring the manufacturing and operations of material handling section
- Looks after establishing company's position in the material handling industry

Sr. No.	Name	Designation	Category
1	Mr. Vamanrai V. Parekh	Chairman	Non-Independent Director
2	Mr. Sharad V. Parekh	Managing Director	Non-Independent Director
3	Mr. Hiten V. Parekh	Executive Director	Non-Independent Director
4	Mr. Manish V. Parekh	Executive Director	Non-Independent Director
5	Mr. Nayan S. Parekh	Executive Director	Non-Independent Director
6	Mr. DB Engineer	Director	Independent Director
7	Mr. K R Ramamoorthy	Director	Independent Director
8	Mr. Mahendra V. Doshi	Director	Independent Director
9	Mr. R P Goyal	Director	Independent Director
10	Mr. Mufazzal S. Federal	Director	Independent Director

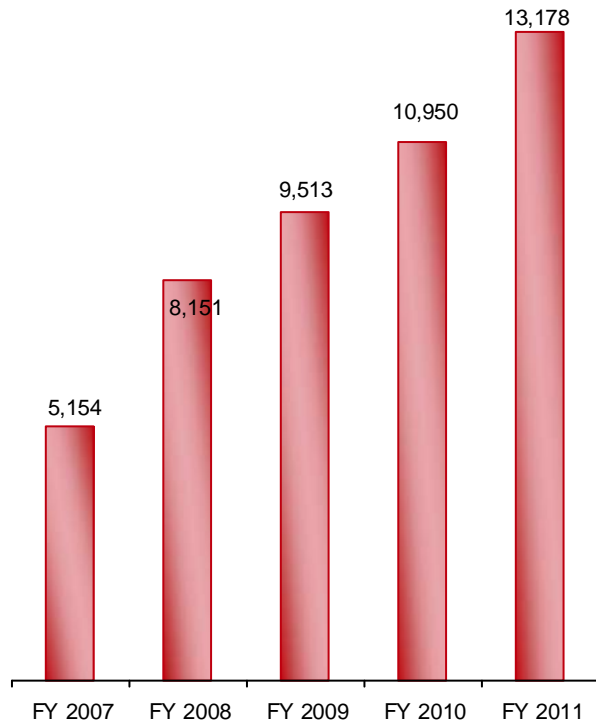
All our Independent Directors are eminent professionals, drawn from amongst persons with experience in business, industry, finance, law and public enterprise



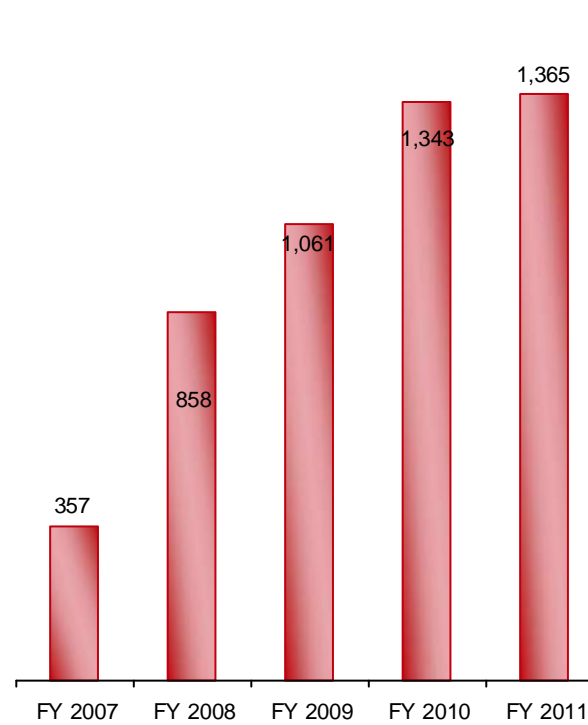
Key Financials

Key Financial Metrics - Consolidated#

Net Sales (Rs. Mn)

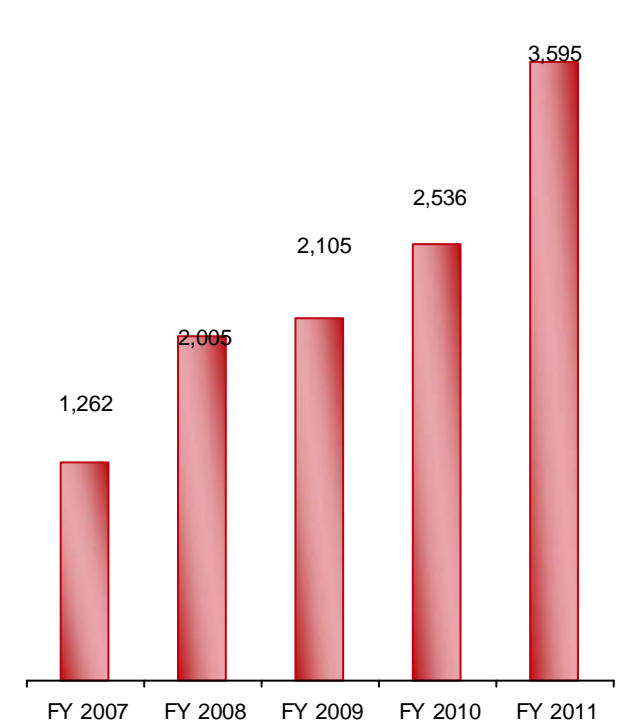


EBITDA (Rs. Mn)



*

Net Worth (Rs. Mn)



All figures have been based on the audited consolidated financials of the Company

* Includes extra ordinary item of Rs. 466 million in FY 2008 on account of sale of investment in subsidiary



Standalone Profit & Loss Account

(Rs. in Million)	2009-10	2010-11
Revenue	10280.50	12490.89
Other Income	47.69	32.16
Total Income	10328.19	12523.05
Expenditure	9100.60	11226.04
EBITDA	1227.59	1297.01
Depreciation	321.75	329.32
Interest	246.96	267.31
PBT	658.88	700.38
Tax	186.49	175.80
PAT	472.39	524.58

Consolidated Profit & Loss Account

(Rs. in Million)	2009-10	2010-11
Revenue	10950.00	13177.94
Other Income	23.07	4.57
Total Income	10973.07	13182.51
Expenditure	9630.32	11817.90
EBITDA	1342.75	1364.61
Depreciation	350.87	351.06
Interest	262.64	274.70
PBT	729.24	738.85
Tax	208.65	196.55
PAT	520.59	542.30

Key Ratios *

Particulars	2006-07	2007-08	2008-09	2009-10	2010-11
Financial Performance %					
Net Profit Ratio	1.39	2.41	0.59	4.05	3.68
Return on Capital Employed	6.44	20.89	8.92	13.98	13.30
Return on Net Worth	5.40	33.87	2.91	20.42	17.29
Balance Sheet Ratios					
Debt-Equity	1.13	1.54	1.35	1.12	0.85
Current Ratio	4.80	4.41	4.09	3.51	3.75
Per Share Data - Rs.					
EPS	8.10	16.79	4.77	36.96	35.15
CEPS	26.05	35.01	29.16	62.13	57.22
Book Value	152.45	162.72	165.38	196.50	238.42
<i>* Based on Standalone financials</i>					

Nilkamal Limited – Key Investment Highlights

Diversified product profile across various segments; Wide Customer Base

Pan-India reach: Widespread Distribution Network & Manufacturing facilities

Established Brand Names:



and



Robust Internal Systems & IT infrastructure

Strong Focus on Product Design & Development

Experienced Promoters & Management Team



Thank You