

Press Release

IOL Chemicals and Pharmaceuticals Ltd consistently reports strong performance in Q3' FY19

Ludhiana. 12 February 2019: IOL Chemicals and Pharmaceuticals Limited a leading manufacturer of APIs / bulk drugs and specialty chemicals posted strong performance consistently in the third quarter of financial year 2018-19.

₹ in crore

Particulars	Year on Year (YOY)			Nine Months ended		
	31-12-2018	31-12-2017	% increased	31-12-2018	31-12-2017	% increased
Net Revenue from operations	478.29	262.68	82 %	1263.04	713.44	77 %
EBIDTA	136.36	32.78	316 %	260.68	90.42	188 %
Net Profit	82.24	8.80	835 %	135.05	16.21	733 %

Year on Year (YoY) – December 2018 vis a vis December 2017

- Net Revenue from operations increased by 82% to ₹ 478.29 crore from ₹ 262.68 crore.
- EBIDTA increased to ₹ 136.36 crore from ₹ 32.78 crore showing increase of 316%.
- Net Profit increased by 835 % to ₹ 82.24 crore from ₹ 8.80 crore.

Quarter on Quarter (QoQ) – December 2018 vis a vis September 2018

- Net Revenue from operations increased by 13% to ₹ 478.29 crore from ₹ 422.91 crore.
- EBIDTA increased to ₹ 136.36 crore from ₹ 80.89 crore showing increase of 69%.
- Net Profit increased by 114 % to ₹ 82.24 crore from ₹ 38.40 crore.

Nine months ended 31 December 2018 vis a vis 31 December 2017

- Net Revenue from operations increased by 77% to ₹ 1263.04 crore from ₹ 713.44 crore.
- EBIDTA increased to ₹ 260.68 crore from ₹ 90.42 crore showing increase of 188%.
- Net Profit increased by 733% to ₹ 135.05 crore from ₹ 16.21 crore.



Mr Vijay Garg, Joint Managing Director said "We are delighted with our continued strong operational and financial performance during the quarter. We remain relentlessly focused on improved operational efficiencies, strengthening our customer base and market approach, to continue this growth momentum.

About IOL Chemicals and Pharmaceuticals Limited (IOLCP)

Company was established in 1986, listed on Bombay Stock Exchange (Code: 524164) and National Stock Exchange (Code: IOLCP) is one of the leading APIs/ bulk drugs Company and is significant player in the specialty chemicals space with world class facilities. IOLCP has wide presence across major therapeutic categories like, Pain Management, anti-convulsants, anti-diabetes, anti- cholesterol and anti-platelets.

IOLCP's product portfolio includes APIs; Ibuprofen, Metformin, Fenofibrate, Clopidogrel, Lamotrigine and specialty chemicals such as Ethyl Acetate, Iso Butyl Benzene, Mono Chloro Acetic Acid and Acetyl Chloride.

Company is World's largest producer of the Ibuprofen with an installed capacity of 10,000 TPA and having backward integrated manufacturing facility. The Company has DSIR approved R&D which is fully equipped to validate existing processes.

The Central and State Government approved Effluent Treatment Plant (ETP) had been set up with zero effluent discharge system alongwith 17 MW captive Co-Generation plant for self reliance. The Company is ISO 9001:2015, 14001:2015 and BS OHSAS 18001:2007 certified.

IOLCP's overseas customers are spread out across several countries including UK, Austria, Belgium, Hungary, Spain, Germany, Italy, Netherlands, Switzerland, Portugal, Poland, Ireland, USA, Australia, Chile, Peru, Brazil, Argentina, Colombia, Mexico, Indonesia, South Korea, Thailand, Iran etc. Products are sold primarily to Branded Generic formulators both in India & Overseas.

Disclaimer:

This document may contain statement which reflect management's current views and estimates and could be construed as forward looking statements. The future involves certain risks and uncertainties, and could cause actual results to differ materially for the current views being expressed. Potential risks and uncertainties include factors as general economic conditions, foreign exchange fluctuation, pricing pressures, competition and regulatory developments.





IOL CHEMICALS AND PHARMACEUTICALS LIMITED

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 31 DECEMBER 2018

Rs. Crore

Sr. No.	Particulars	Quarter ended			Nine months period ended		Year ended
		31.12.2018 (Unaudited)	30.09.2018 (Unaudited)	31.12.2017 (Unaudited)	31.12.2018 (Unaudited)	31.12.2017 (Unaudited)	31.03.2018 (Audited)
I	Revenue from operations	478.29	422.91	262.68	1,263.04	713.44	1,000.96
II	Other Income	0.85	5.79	0.83	8.17	3.20	6.33
III	Total revenue (I+II)	479.14	428.70	263.51	1,271.21	716.64	1,007.29
IV	Expenses						
	Cost of materials consumed	291.87	261.25	157.87	763.39	443.14	617.01
	Changes in inventories of finished goods and work-in-progress	(14.26)	27.62	27.33	75.85	41.76	78.27
	Employee benefits expense	22.22	19.10	14.32	59.22	41.86	56.10
	Finance costs	12.85	13.90	15.58	42.59	49.33	64.35
	Depreciation and amortization expense	8.38	8.16	7.64	24.46	22.52	30.21
	Excise duty on sale of goods	-	-	-	-	17.66	17.66
	Other expenses	42.95	39.84	31.21	112.07	81.80	112.39
	Total Expenses	364.01	369.87	253.95	1,077.58	698.07	975.99
V	Profit before exceptional items and tax (III-IV)	115.13	58.83	9.56	193.63	18.57	31.30
VI	Exceptional items	-	-	-	-	-	-
VII	Profit before tax (V-VI)	115.13	58.83	9.56	193.63	18.57	31.30
VIII	Tax Expense						
	(i) Current tax	24.80	12.67	2.14	41.71	4.16	6.72
	(ii) Deferred tax	8.09	7.76	(1.38)	16.87	(1.80)	(3.12)
	Total tax expense	32.89	20.43	0.76	58.58	2.36	3.60
IX	Profit for the period for continuing operations (VII-VIII)	82.24	38.40	8.80	135.05	16.21	27.70
X	Profit/(loss) from discontinued operations	-	-	-	-	-	-
XI	Tax expense of discontinued operations	-	-	-	-	-	-
XII	Profit/(loss) from discontinued operations (after tax)	-	-	-	-	-	-
XIII	Profit for the period	82.24	38.40	8.80	135.05	16.21	27.70
XIV	Other Comprehensive Income						
A	(i) Items that will not be reclassified to profit or loss	-	-	-	-	-	(0.99)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	0.34
B	(i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
XV	Total Comprehensive Income for the period	82.24	38.40	8.80	135.05	16.21	27.05
XVI	Paid-up equity share capital (Face value Rs. 10/- per share)	56.21	56.21	56.21	56.21	56.21	56.21
XVII	Earning per equity share of Rs. 10/- each (for continuing and discontinued operations) (not annualised except for year ended 31.03.2018)						
	Basic	14.63	6.84	1.56	24.03	2.88	4.93
	Diluted	14.63	6.84	1.56	24.03	2.88	4.93
	Cash	17.56	9.67	2.68	31.38	6.57	9.75



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IOL CHEMICALS AND PHARMACEUTICALS LIMITED

SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES

Rs. Crore

Sr.No.	Particulars	Quarter ended			Nine months period ended		Year ended
		31.12.2018 (Unaudited)	30.09.2018 (Unaudited)	31.12.2017 (Unaudited)	31.12.2018 (Unaudited)	31.12.2017 (Unaudited)	31.03.2018 (Audited)
1	Segment Revenue (Net sale/income)						
	- Chemicals	217.88	196.33	130.14	571.20	348.76	489.28
	- Drugs	314.68	270.11	166.36	830.94	441.81	624.44
	- Unallocated	3.81	7.83	2.38	16.89	5.76	11.19
	Total	536.37	474.27	298.88	1,419.03	796.33	1,124.91
	Less : Inter segment revenue	57.23	45.57	35.37	147.82	97.35	135.28
	Net sales/income from operations	479.14	428.70	263.51	1,271.21	698.98	989.63
2	Segment Results Profit before tax and interest (from each segment)						
	- Chemicals	6.45	4.96	1.42	13.89	2.68	4.23
	- Drugs	119.91	66.07	23.33	217.49	63.64	88.96
	Total	126.36	71.03	24.75	231.38	66.32	93.19
	Less: Interest	12.85	13.90	15.58	42.59	49.33	64.35
	Add: Other un-allocable income net off un-allocable expenditure	1.62	1.70	0.39	4.84	1.58	2.46
	Total Profit before tax & Extraordinary items	115.13	58.83	9.56	193.63	18.57	31.30
3	Segment Assets						
	- Chemicals	312.24	287.90	291.35	312.24	291.35	309.83
	- Drugs	533.12	498.43	478.60	533.12	478.60	443.53
	- Unallocated	53.53	47.79	51.28	53.53	51.28	68.32
	Total Assets	898.89	834.12	821.23	898.89	821.23	821.68
4	Segment Liabilities						
	- Chemicals	247.81	224.60	271.76	247.81	271.76	254.21
	- Drugs	278.53	303.45	318.99	278.53	318.99	298.46
	- Unallocated	21.77	37.52	25.76	21.77	25.76	53.27
	Total Liabilities	548.11	565.57	616.51	548.11	616.51	605.94

NOTES:

- The above results have been reviewed by the Audit & Risk Management Committee and thereafter approved by the Board of Directors in their respective meetings held on 12 February 2019 and these results have been subjected to limited review by the Statutory Auditors.
- Excise duty realised is included in revenue from operations of periods upto 30 June 2017 and revenue from operations for the subsequent periods are net of Goods and service tax (GST). Accordingly, the figure of revenue from operations for the nine months period ended 31 December 2018 is not comparable with the figures of nine months period ended 31 December 2017.
- Effective 1 April 2018, the company has adopted Ind AS 115 revenue from contracts with customers and its application did not have any material impact on the financial results of the company.
- The previous financial period figures have been regrouped/rearranged wherever considered necessary.

By order of the Board
For IOL Chemicals and Pharmaceuticals Limited



Vijay Garg
Managing Director
DIN: 06510248

Place: Ludhiana
Date: 12 February 2019

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Limited Review Report


To
The Board of Directors
IOL Chemicals and Pharmaceuticals Ltd.
85, Industrial Area-A
Ludhiana

1. We have reviewed the unaudited Ind AS financial results of M/s IOL Chemicals and Pharmaceuticals Ltd. (the "Company") for the quarter ended December 31, 2018 and the year to date results for the period April 1, 2018 to December 31, 2018(the "Statement") attached herewith, being submitted by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulation'), read with SEBI Circular CIR/CFD/FAC/62/2016 dated July 5, 2016 ('the Circular').
2. The preparation of the statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended, read with 'the Circular' and other accounting principles generally accepted in India is the responsibility of the management of the Company and has been approved by the Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagement (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.
4. 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.
5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies, and has not disclosed the information required to be disclosed in terms of 'the Regulation', read with 'the Circular' including the manner in which it is to be disclosed, or that it contains any material misstatement.



6. The comparative financial results of the Company for the quarter and nine months period ended December 31, 2017, included in this Statement were reviewed by the predecessor Auditor, who, vide their Report dated February 12, 2018 expressed an unmodified opinion on these financial results. Also, the Ind AS financial statements of the Company for the year ended March 31, 2018, were audited by predecessor auditor who expressed an unmodified opinion on those Ind AS financial statements on May 16, 2018. Our opinion is not modified in respect of this matter.

For Ashwani & Associates
Chartered Accountants


(Arvind Jain)
Partner
M. No. 097549



Place : Ludhiana
Dated : 12.02.2019