

For immediate release

Press Release

IOL Chemicals and Pharmaceuticals Ltd consistently reports robust performance in Q2' FY19

**Enhanced manufacturing facilities of Metformin (Unit IV)
from 3,000 TPA to 4,000 TPA
Completed Unit V to manufacture Clopidogrel Bisulphate and
Fenofibrate with capacity of 180 TPA**

Ludhiana. 14 November 2018: IOL Chemicals and Pharmaceuticals Limited a leading manufacturer of APIs / bulk drugs and specialty chemicals posted robust performance consistently in the second quarter of financial year 2018-19.

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

- Net Revenue from operations increased by 17% to ₹ 422.91 crore from ₹ 361.84 crore.
- EBIDTA increased to ₹ 80.89 crore from ₹ 43.43 crore showing increase of 86%.
- Net Profit increased by 166 % to ₹ 38.40 crore from ₹ 14.41 crore.

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

- Net Revenue from operations increased by 94% to ₹ 422.91 crore from ₹ 217.79 crore.
- EBIDTA increased to ₹ 80.89 crore from ₹ 30.02 crore showing increase of 169%.
- Net Profit increased by 767 % to ₹ 38.40 crore from ₹ 4.43 crore.

Half year ended 30 September 2018 vis a vis 30 September 2017

- Net Revenue from operations increased by 74% to ₹ 784.75 crore from ₹ 450.76 crore.
- EBIDTA increased to ₹ 124.32 crore from ₹ 57.64 crore showing increase of 116%.
- Net Profit increased by 613 % to ₹ 52.81 crore from ₹ 7.41 crore.

The company enhanced installed capacity of Metformin (Unit IV) from 3,000 TPA to 4,000 TPA with capex of ₹ 2.71 crore.

The Company has also successfully completed Unit V to manufacture Clopidogrel Bisulphate & Fenofibrate with a capacity of 180 TPA with capex of ₹ 19.26 crore. Both capex are funded through internal accruals.

Mr Vijay Garg, Joint Managing Director said "We are delighted to announce the enhancement of capacity of Metformin (Unit IV) from 3,000 TPA to 4,000 TPA due to increasing demand and successfully completed Unit V to manufacture Clopidogrel Bisulphate & Fenofibrate with a capacity of 180 TPA that will result in higher revenue and operating margins. Both capex are funded through internal accruals."

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 (IBB), 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 at single location. 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) was 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 HALF YEAR ENDED 30 SEPTEMBER 2018

Rs. Crore

Sr. No.	Particulars	Quarter ended			Half year ended		Year ended
		30 September 2018	30 June 2018	30 September 2017	30 September 2018	30 September 2017	31 March 2018
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue from operations	422.91	361.84	217.79	784.75	450.76	1,000.96
II	Other Income	5.79	3.56	0.92	9.35	2.37	6.33
III	Total revenue (I+II)	428.70	365.40	218.71	794.10	453.13	1,007.29
IV	Expenses						
	Cost of materials consumed	261.25	210.27	136.77	471.52	285.27	617.01
	Changes in inventories of finished goods and work-in-progress	27.62	62.49	12.04	90.11	14.43	78.27
	Employee benefits expense	19.10	17.90	13.99	37.00	27.54	56.10
	Finance costs	13.90	15.84	16.61	29.74	33.75	64.35
	Depreciation and amortization expense	8.16	7.92	7.57	16.08	14.88	30.21
	Excise duty on sale of goods	-	-	-	-	17.66	17.66
	Other expenses	39.84	31.31	25.89	71.15	50.59	112.39
	Total Expenses	369.87	345.73	212.87	715.60	444.12	975.99
V	Profit/(loss) before exceptional items and tax (III-IV)	58.83	19.67	5.84	78.50	9.01	31.30
VI	Exceptional items	-	-	-	-	-	-
VII	Profit before tax (V-VI)	58.83	19.67	5.84	78.50	9.01	31.30
VIII	Tax Expense						
	(i) Current tax	12.67	4.24	1.38	16.91	2.02	6.72
	(ii) Deferred tax	7.76	1.02	0.03	8.78	(0.42)	(3.12)
	Total tax expense	20.43	5.26	1.41	25.69	1.60	3.60
IX	Profit for the period for continuing operation (VII-VIII)	38.40	14.41	4.43	52.81	7.41	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	38.40	14.41	4.43	52.81	7.41	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	38.40	14.41	4.43	52.81	7.41	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 operations)						
	Basic	6.84	2.56	0.79	9.40	1.32	4.93
	Diluted	6.84	2.56	0.79	9.40	1.32	4.93
	Cash	9.67	4.15	2.14	13.82	3.89	9.75

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Works : Village Fatehgarh Channa, Mansa Road (Trident Complex) District - Barnala, 148101 State - Punjab, INDIA.

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IOL CHEMICALS AND PHARMACEUTICALS LIMITED

STATEMENT OF ASSETS AND LIABILITIES

Particulars	Rs. Crore	
	As at 30 September 2018 Unaudited	As at 31 March 2018 Audited
ASSETS		
1 Non-current assets		
(a) Property, Plant and Equipment	419.30	404.81
(b) Capital work in progress	11.73	6.95
(c) Intangible assets	0.75	0.83
(d) Deferred tax assets (net)	2.64	11.42
(e) Other non current assets	2.19	1.53
Total non-current assets	436.61	425.54
2 Current Assets		
(a) Inventories	118.67	207.45
(b) Financial assets		
(i) Investments	0.06	0.06
(ii) Trade receivables	229.85	140.71
(iii) Cash and cash equivalents	1.31	0.74
(iv) Other Bank Balances [other than (iii) above]	19.62	18.48
(v) Other financial assets	1.03	0.64
(c) Other current assets	26.97	28.06
Total current assets	397.51	396.14
TOTAL ASSETS	834.12	821.68
EQUITY AND LIABILITIES		
Equity		
(a) Share capital	56.21	56.21
(b) Other equity	212.34	159.53
Total equity	268.55	215.74
Liabilities		
1 Non-current liabilities		
(a) Financial Liabilities		
(i) Borrowings	236.57	249.98
(ii) Other financial liabilities	-	-
(b) Provisions	3.08	2.04
(c) Other non current liabilities	26.20	39.77
Total non-current liabilities	265.85	291.79
2 Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	113.20	135.27
(ii) Trade payables		
(A) Total outstanding dues of Micro enterprises and small enterprises	0.02	0.03
(B) Total outstanding dues of Creditors other than Micro enterprises and small enterprises	114.40	132.57
(iii) Other financial liabilities	66.31	44.09
(b) Other current liabilities	2.45	1.38
(c) Provisions	0.33	0.40
(d) Current tax liabilities (net)	3.01	0.41
Total current liabilities	299.72	314.15
TOTAL EQUITY AND LIABILITIES	834.12	821.68



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IOL CHEMICALS AND PHARMACEUTICALS LIMITED

SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES

Rs. Crore

Sr.No.	Particulars	Quarter ended			Half year ended		Year ended
		30 September 2018	30 June 2018	30 September 2017	30 September 2018	30 September 2017	31 March 2018
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Segment Revenue						
	(Net sale/income)						
	- Chemicals	196.33	157.10	105.03	353.43	218.62	489.28
	- Drugs	270.11	248.07	144.54	518.18	275.45	624.44
	- Unallocated	7.83	5.25	2.27	13.08	3.38	11.19
	Total	474.27	410.42	251.84	884.69	497.45	1,124.91
	Less : Inter segment revenue	45.57	45.02	33.13	90.59	61.98	135.28
	Net sales/income from operations	428.70	365.40	218.71	794.10	435.47	989.63
2	Segment Results						
	Profit(+)/(loss)(-) before tax and interest from each segment)						
	- Chemicals	4.96	2.48	0.86	7.44	1.26	4.23
	- Drugs	66.07	31.51	21.46	97.58	40.31	88.96
	Total	71.03	33.99	22.32	105.02	41.57	93.19
	Less: Interest	13.90	15.84	16.61	29.74	33.75	64.35
	Add: Other un-allocable income net off un-allocable expenditure	1.70	1.52	0.13	3.22	1.19	2.46
	Total Profit(+)/(loss) (-) before tax & Extraordinary items	58.83	19.67	5.84	78.50	9.01	31.30
3	Segment Assets						
	- Chemicals	287.90	305.82	298.83	287.90	298.83	309.83
	- Drugs	498.43	453.90	485.93	498.43	485.93	443.53
	- Unallocated	47.79	54.07	48.45	47.79	48.45	68.32
	Total Assets	834.12	813.79	833.21	834.12	833.21	821.68
4	Segment Liabilities						
	- Chemicals	224.60	233.98	282.82	224.60	282.82	254.21
	- Drugs	303.45	306.32	332.42	303.45	332.42	298.46
	- Unallocated	37.52	43.35	22.05	37.52	22.05	53.27
	Total Liabilities	565.57	583.65	637.29	565.57	637.29	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 14 November 2018 and these results have been subjected to limited review by the Statutory Auditors.
- The company enhanced annual installed capacity of Metformin (Unit IV) from 3000 MT to 4000 MT with capex of Rs.2.71 crore. The Company has also successfully set up Unit V to manufacture Clopidogrel Bisulphate & Fenofibrate with a capacity of 180 MT per annum with capex of Rs.19.26 crore. Both capex funded through internal accruals.
- 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 six months ended 30 September 2018 is not comparable with the figures of six months ended 30 September 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
Joint Managing Director
DIN: 06510248

Place: Ludhiana
Date: 14 November 2018

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Independent Auditors' Report on Review of Interim Financial Results

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

1. We have reviewed the unaudited financial results of M/s IOL Chemicals and Pharmaceuticals Ltd. (the "Company") for the quarter ended September 30, 2018 and the year to date results for the period April 1, 2018 to September 30, 2018, which are included in the accompanying 'Unaudited Financial Results for the Quarter and Six months ended September 30, 2018, and the unaudited Balance Sheet as on that date. ("the Statement") being submitted by the Company pursuant to Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by SEBI Circular CIR/CFD/FAC/62/2016 dated July 5, 2016, and CIR/IMD/DFI/69/ 2016 dated August 10, 2016 (the "Listing Regulations"), which has been initialed by us for identification purposes. The Statement which is the responsibility of the Company's Management, has been prepared 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 relevant rules issued thereunder and other accounting principles generally accepted in India 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 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.
3. 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.
4. 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 Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies, and has not disclosed the information required to be

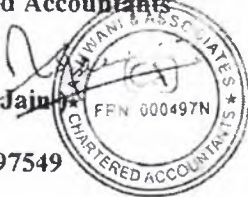


disclosed in terms of Regulation 33 and Regulation 52 of the Listing Regulations, as amended from time to time, including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. The comparative financial results of the Company for the quarter and half year ended September 30, 2017, included in this financial result was reviewed by the predecessor Auditor, who, vide their Report dated November 13, 2017 expressed unqualified opinion on these financial results. The review of Financial Results for the Quarter ended June 30, 2018 was carried out by the predecessor Auditor, who, vide their Report dated August 11, 2018, expressed unqualified 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 financial information 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 : 14.11.2018