

**Independent Auditors' Report on the Quarterly and Year to Date Standalone Audited 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  
IOL Chemicals and Pharmaceuticals Limited

**Opinion**

We have audited the accompanying Standalone Financial Results of **IOL Chemicals and Pharmaceuticals Limited** CIN-(L24116PB1986PLC007030) ("the Company"), for the quarter and year ended March 31, 2022, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Standalone Financial Results:

- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- (ii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards ("Ind AS") and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the quarter and year ended March 31, 2022.

**Basis for Opinion**

We conducted our audit in accordance with the standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit of evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.



## **Management Responsibilities for the Standalone Financial Results**

These Standalone Financial Results, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related audited financial statements for the three months and year ended March 31, 2022. The Company's Board of Directors are responsible for the preparation and presentation of the Standalone financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Ind-AS-34, 'Interim Financial Reporting' prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

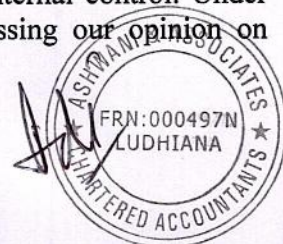
The Board of Directors are responsible for overseeing the financial reporting process of the Company.

## **Auditor's Responsibilities for the Audit of the Standalone Financial Results**

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on



whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone financial results, including the disclosures, and whether the standalone financial results present the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial results.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For and on behalf of  
**Ashwani & Associates**  
**Chartered Accountants**  
Firm Registration Number: 000497N



by the hand of

*Ashwani Kumar*  
Ashwani Kumar  
Partner

Membership No.: 506955

UDIN: 22506955AJXJFH3901

Place: Ludhiana  
Dated: May 30<sup>th</sup>, 2022



## IOL CHEMICALS AND PHARMACEUTICALS LIMITED

**STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2022**  
in ₹ Crore

Sr. No.	Particulars	Quarter ended			Year ended	
		31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021
		(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
	<b>Income:</b>					
I	Revenue from operations	572.49	555.14	460.38	2,184.02	1,966.98
II	Other Income	6.93	8.88	6.21	32.04	24.30
III	<b>Total income (I+II)</b>	<b>579.42</b>	<b>564.02</b>	<b>466.59</b>	<b>2,216.06</b>	<b>1,991.28</b>
	<b>Expenses:</b>					
IV	Cost of materials consumed	411.25	414.74	267.57	1,578.91	1,119.95
	Purchases of stock-in-trade	15.12	13.72	-	43.90	-
	Changes in inventories of finished goods, work-in-progress and stock in trade	2.35	(27.44)	10.12	(52.30)	(17.11)
	Employee benefits expense	36.85	35.24	30.42	141.30	115.55
	Finance costs	2.34	2.29	1.44	8.29	5.83
	Depreciation and amortization expenses	11.01	11.13	9.97	43.26	38.92
	Other expenses	63.80	59.67	41.10	215.93	156.75
	<b>Total Expenses (IV)</b>	<b>542.72</b>	<b>509.35</b>	<b>360.62</b>	<b>1,979.29</b>	<b>1,419.89</b>
V	Profit before exceptional items and tax (III-IV)	36.70	54.67	105.97	236.77	571.39
VI	Exceptional items	-	-	-	13.93	-
VII	Profit before tax (V-VI)	36.70	54.67	105.97	222.84	571.39
VIII	<b>Tax Expense:</b>					
	Current tax	8.74	14.35	27.65	57.01	145.55
	Deferred tax	0.21	0.25	3.07	0.17	(18.72)
	<b>Total tax expense</b>	<b>8.95</b>	<b>14.60</b>	<b>30.72</b>	<b>57.18</b>	<b>126.83</b>
IX	<b>Profit for the period (VII-VIII)</b>	<b>27.75</b>	<b>40.07</b>	<b>75.25</b>	<b>165.66</b>	<b>444.56</b>
X	<b>Other Comprehensive Income</b>					
A	Items that will not be reclassified to profit or loss					
(i)	Remeasurement gain/(loss) of defined benefit obligation	0.61	0.41	(0.14)	(1.32)	(2.18)
(ii)	Income tax relating to items that will not be reclassified to profit or loss	(0.16)	(0.10)	0.61	0.33	0.55
B	Items that will be reclassified to profit or loss					
(i)	Net movement in effective portion of cash flow hedge reserve	(0.27)	-	(0.22)	0.51	(0.66)
(ii)	Income tax relating to items that will be reclassified to profit or loss	0.07	-	0.05	(0.12)	0.15
XI	<b>Total Comprehensive Income for the period (IX+X)</b>	<b>28.00</b>	<b>40.38</b>	<b>75.55</b>	<b>165.06</b>	<b>442.42</b>
XII	Paid-up equity share capital (Face value ₹10/- per share)	58.71	58.71	58.71	58.71	58.71
XIII	Other equity (Reserves excluding revaluation reserve)	1,331.56	1,327.04	1,201.72	1,331.56	1,201.72
XIV	Earning per equity share of ₹10/- each (for continuing and discontinued operations) (not annualised except for the year ended 31.03.2022 and 31.03.2021)					
	Basic and Diluted ₹	4.73	6.82	12.76	28.22	76.21

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## IOL CHEMICALS AND PHARMACEUTICALS LIMITED

### STANDALONE AUDITED SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES

in ₹ Crore

Sr.No.	Particulars	Quarter ended			Year ended	
		31.03.2022 (Audited)	31.12.2021 (Audited)	31.03.2021 (Audited)	31.03.2022 (Audited)	31.03.2021 (Audited)
1	<b>Segment Revenue</b>					
	(Net sale/income)					
	- Chemical	327.03	343.82	248.14	1,322.50	829.24
	- Pharmaceutical	296.97	257.89	219.58	1,008.32	1,172.23
	- Unallocated	6.56	6.57	6.60	28.62	20.02
	<b>Total</b>	<b>630.56</b>	<b>608.28</b>	<b>474.32</b>	<b>2,359.44</b>	<b>2,021.49</b>
	Less : Inter segment revenue	51.14	44.26	7.73	143.38	30.21
<b>Net sales/income from operations</b>	<b>579.42</b>	<b>564.02</b>	<b>466.59</b>	<b>2,216.06</b>	<b>1,991.28</b>	
2	<b>Segment Results</b>					
	Profit before tax and interest (from each segment)					
	- Chemical	(5.66)	12.46	36.61	59.26	100.18
	- Pharmaceutical	39.68	39.13	65.29	162.92	461.78
	<b>Total</b>	<b>34.02</b>	<b>51.59</b>	<b>101.90</b>	<b>222.18</b>	<b>561.96</b>
	Less: Interest	2.34	2.29	1.44	8.29	5.83
	Add: Other un-allocable income net off un-allocable expenditure	5.02	5.37	5.51	22.88	15.26
<b>Total Profit before tax &amp; Extraordinary items</b>	<b>36.70</b>	<b>54.67</b>	<b>105.97</b>	<b>236.77</b>	<b>571.39</b>	
3	<b>Segment Assets</b>					
	- Chemical	537.77	534.72	436.54	537.77	436.54
	- Pharmaceutical	945.34	877.98	672.68	945.34	672.68
	- Unallocated	477.18	475.37	500.87	477.18	500.87
	<b>Total Assets</b>	<b>1,960.29</b>	<b>1,888.07</b>	<b>1,610.09</b>	<b>1,960.29</b>	<b>1,610.09</b>
4	<b>Segment Liabilities</b>					
	- Chemical	272.74	262.54	196.08	272.74	196.08
	- Pharmaceutical	179.72	156.54	77.20	179.72	77.20
	- Unallocated	117.56	83.24	76.38	117.56	76.38
	<b>Total Liabilities</b>	<b>570.02</b>	<b>502.32</b>	<b>349.66</b>	<b>570.02</b>	<b>349.66</b>

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# IOL CHEMICALS AND PHARMACEUTICALS LIMITED

STANDALONE AUDITED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2022

Particulars	As at 31-Mar-2022 in ₹ Crore	As at 31-Mar-2021 in ₹ Crore
<b>ASSETS</b>		
<b>1 Non-current assets</b>		
(a) Property, plant and equipment	559.49	509.75
(b) Right of use assets	0.97	2.40
(c) Capital work-in-progress	102.03	48.27
(d) Other Intangible assets	0.18	0.21
(e) Intangible assets under development	3.17	-
(f) Financial assets		
(i) Investment in subsidiary	0.10	-
(ii) Other financial assets	205.34	22.13
(g) Other non-current assets	10.30	17.43
<b>Total non-current assets</b>	<b>881.58</b>	<b>600.19</b>
<b>2 Current assets</b>		
(a) Inventories	409.89	295.15
(b) Financial assets		
(i) Investments	2.37	1.22
(ii) Trade receivables	469.80	300.31
(iii) Cash and cash equivalents	1.45	32.34
(iv) Bank balances other than (iii) above	136.43	332.40
(v) Other financial assets	22.98	33.67
(c) Current tax assets (net)	0.91	-
(d) Other current assets	34.88	14.81
<b>Total current assets</b>	<b>1,078.71</b>	<b>1,009.90</b>
<b>TOTAL ASSETS</b>	<b>1,960.29</b>	<b>1,610.09</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity share capital	58.71	58.71
(b) Other equity	1,331.56	1,201.72
<b>Total equity</b>	<b>1,390.27</b>	<b>1,260.43</b>
<b>Liabilities</b>		
<b>1 Non-current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	-	-
(ia) Lease liabilities	0.18	1.83
(b) Provisions	3.01	3.68
(c) Deferred tax liabilities (net)	53.18	53.22
(d) Other non-current liabilities	0.25	0.38
<b>Total non-current liabilities</b>	<b>56.62</b>	<b>59.11</b>
<b>2 Current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	42.75	-
(ia) Lease liabilities	1.02	0.90
(ii) Trade payables		
(A) Total outstanding dues of micro enterprises and small enterprises	14.10	11.70
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	395.19	227.13
(iii) Other financial liabilities	30.02	28.82
(b) Other current liabilities	22.98	11.28
(c) Provisions	7.34	6.06
(d) Current tax liabilities (net)	-	4.66
<b>Total current liabilities</b>	<b>513.40</b>	<b>290.55</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,960.29</b>	<b>1,610.09</b>



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# IOL CHEMICALS AND PHARMACEUTICALS LIMITED

## STANDALONE AUDITED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022

Particulars	For the year ended 31.03.2022 in ₹ Crore	For the year ended 31.03.2021 in ₹ Crore
<b>Cash flow from operating activities</b>		
Profit before tax	222.84	571.39
<b>Adjustments for:</b>		
Depreciation and amortisation expense	43.26	38.92
Net (Gain)/Loss on current investment	-	(0.01)
Unrealised foreign exchange (Gain)/Loss on foreign currency rate fluctuation	(1.28)	(1.74)
Net (Gain)/Loss on fair valuation of investments measured at fair value through profit or loss	(0.02)	-
Subsidy Income amortized	(0.07)	(0.07)
Interest income on financial assets carried at amortized cost net of rent amortized during the period	(0.08)	(0.07)
Unpaid Premium on Foreign exchange forward contracts	-	0.53
Liabilities no longer required written back	(0.03)	(0.44)
Lease Liability Provision written back	(0.08)	-
Net (Gain)/Loss on Property, plant and equipment sold	0.24	(0.05)
Loss on Property, plant and equipment discarded	0.85	0.15
Interest expense	8.29	5.83
Interest income	(17.96)	(15.90)
	33.12	27.15
<b>Operating profit before working capital changes</b>	<b>255.96</b>	<b>598.54</b>
Changes in working capital:		
Increase/(Decrease) in trade payables and other liabilities	183.19	60.61
Decrease/(Increase) in trade and other receivables	(170.78)	(29.50)
Decrease/(Increase) in inventories	(114.75)	(107.62)
	(102.34)	(76.51)
<b>Cash generated from operations</b>	<b>153.62</b>	<b>522.03</b>
Income tax paid (net)	(62.58)	(142.25)
<b>Net cash flow from/(used in) operating activities (A)</b>	<b>91.04</b>	<b>379.78</b>
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment including intangible assets and Capital work in progress	(153.29)	(108.21)
Proceeds from sale of property, plant and equipment	1.89	0.78
Proceeds from sale of investments	-	0.06
Purchase of investment	(1.24)	(1.22)
Interest received	18.60	12.95
<b>Bank balances not considered as cash and cash equivalents:</b>		
Decrease in deposit with banks, having original maturity more than three months	23.55	(220.07)
Increase in deposit with banks, in earmarked accounts to the extent held as margin money against borrowings and other	(9.80)	(1.54)
<b>Net cash flow from/(used in) investing activities (B)</b>	<b>(120.29)</b>	<b>(317.25)</b>
<b>Cash flow from financing activities</b>		
Proceeds from issuance of share capital and warrants	-	27.95
Repayment of non current borrowings	-	(0.07)
Proceeds/(Repayment) of current borrowings	42.75	(55.92)
Interest paid	(8.11)	(5.70)
Lease rent payments	(1.06)	(1.06)
Dividend paid on Equity shares	(35.22)	(23.48)
<b>Net cash flow from/(used in) financing activities (C)</b>	<b>(1.64)</b>	<b>(58.28)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(30.89)</b>	<b>4.25</b>
Cash and cash equivalents at the beginning of the period	32.34	28.09
Cash and cash equivalents at the end of the period *	1.45	32.34
* Comprises		
Balances with banks in current account	1.03	15.88
Balances with bank in deposit accounts with original maturity of three months or less	-	15.03
Cash on hand	0.42	1.43
	1.45	32.34



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**Independent Auditors' Report on the Quarterly and Year to Date Audited Consolidated 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  
IOL Chemicals and Pharmaceuticals Limited**

**Opinion**

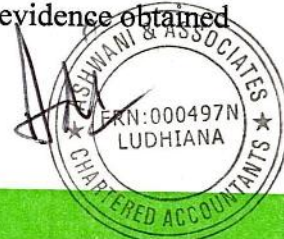
We have audited the accompanying Consolidated Financial Results of **IOL Chemicals and Pharmaceuticals Limited** CIN-L24116PB1986PLC007030 ("the Holding Company") and **IOL-Foundation** CIN- U85300PB2022NPL055428 ("the Subsidiary"), for the quarter and year ended March 31, 2022, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Consolidated Financial Results:

- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations in this regard; and
- (ii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards ("Ind AS") and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Group for the quarter and year ended March 31, 2022.

**Basis for Opinion**

We conducted our audit of the consolidated financial statements in accordance with the standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("the Act") and other applicable authoritative pronouncements issued by ICAI. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Results* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated financial results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit of evidence obtained





by us is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

### **Management Responsibilities for the Consolidated Financial Results**

These Consolidated Financial Results, which is the responsibility of the holding company's management and approved by the holding company's board of directors, have been prepared on the basis of the consolidated financial statements for the three months and year ended March 31,2022. The Holding Company's management is responsible for the preparation and presentation of these consolidated financial results that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated total comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Ind-AS prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group are also responsible for maintenance of adequate accounting records in accordance with the provisions of the act for safeguarding the assets of the group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of presentation of consolidated financial statements by the Directors of the Holding Company, as aforesaid

In preparing the consolidated financial results, the respective Board of Directors of the companies included in the group are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their own company or to cease operations, or have no realistic alternative but to do so.

The respective Boards of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Results**

Our objectives are to obtain reasonable assurance about whether the consolidated financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial results.



As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of consolidated financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on effectiveness of such controls. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the financial results present the underlying transactions and events in a manner that achieves fair presentation.

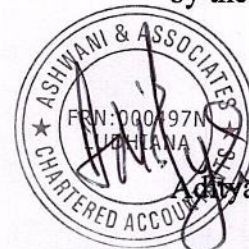
Materiality is the magnitude of misstatements in the consolidated financial results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial results.

We communicate with those charged with governance of the Holding Company and such other entity included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For and on behalf of  
**Ashwani & Associates**  
**Chartered Accountants**  
Firm Registration Number: 000497N  
by the hand of



Ashwani Kumar  
Partner

Membership No.: 506955

UDIN: 22506955AJXJLM9817

Place: Ludhiana

Dated: May 30<sup>th</sup>, 2022



# IOL CHEMICALS AND PHARMACEUTICALS LIMITED

## CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31<sup>st</sup> MARCH 2022

in ₹ Crore

Sr. No.	Particulars	Quarter ended 31.03.2022 (Audited)	Year ended 31.03.2022 (Audited)
	<b>Income:</b>		
I	Revenue from operations	572.49	2,184.02
II	Other Income	6.93	32.04
III	<b>Total income (I+II)</b>	<b>579.42</b>	<b>2,216.06</b>
	<b>Expenses:</b>		
IV	Cost of materials consumed	411.25	1,578.91
	Purchases of stock-in-trade	15.12	43.90
	Changes in inventories of finished goods, work-in-progress and stock in trade	2.35	(52.30)
	Employee benefits expense	36.85	141.30
	Finance costs	2.34	8.29
	Depreciation and amortization expenses	11.01	43.26
	Other expenses	61.79	213.92
	<b>Total Expenses (IV)</b>	<b>540.71</b>	<b>1,977.28</b>
V	Profit before exceptional items and tax (III-IV)	38.71	238.78
VI	Exceptional items	-	13.93
VII	Profit before tax (V-VI)	38.71	224.85
VIII	<b>Tax Expense:</b>		
	Current tax	8.74	57.01
	Deferred tax	0.21	0.17
	<b>Total tax expense</b>	<b>8.95</b>	<b>57.18</b>
IX	<b>Profit for the period (VII-VIII)</b>	<b>29.76</b>	<b>167.67</b>
X	<b>Other Comprehensive Income</b>		
A	Items that will not be reclassified to profit or loss		
(i)	Remeasurement gain/(loss) of defined benefit obligation	0.61	(1.32)
(ii)	Income tax relating to items that will not be reclassified to profit or loss	(0.16)	0.33
B	Items that will be reclassified to profit or loss		
(i)	Net movement in effective portion of cash flow hedge reserve	(0.28)	0.51
(ii)	Income tax relating to items that will be reclassified to profit or loss	0.08	(0.12)
XI	<b>Total Comprehensive Income for the period (IX+X)</b>	<b>30.01</b>	<b>167.07</b>
XII	Paid-up equity share capital (Face value ₹10/- per share)	58.71	58.71
XIII	Other equity (Reserves excluding revaluation reserve)	1,333.57	1,333.57
XIV	Earning per equity share of ₹10/- each (for continuing and discontinued operations) (not annualised except for the year ended 31.03.2022)		
	Basic and Diluted ₹	5.07	28.56



*Ulfra*

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## IOL CHEMICALS AND PHARMACEUTICALS LIMITED

### CONSOLIDATED AUDITED SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES

in ₹ Crore

		Quarter ended	Year ended
		31.03.2022	31.03.2022
		(Audited)	(Audited)
1	<b>Segment Revenue</b>		
	(Net sale/income)		
	- Chemical	327.03	1,322.50
	- Pharmaceutical	296.97	1,008.32
	- Unallocated	6.56	28.62
	<b>Total</b>	<b>630.56</b>	<b>2,359.44</b>
	Less : Inter segment revenue	51.14	143.38
	<b>Net sales/income from operations</b>	<b>579.42</b>	<b>2,216.06</b>
2	<b>Segment Results</b>		
	Profit before tax and interest (from each segment)		
	- Chemical	(5.66)	59.26
	- Pharmaceutical	39.68	162.92
	<b>Total</b>	<b>34.02</b>	<b>222.18</b>
	Less: Interest	2.34	8.29
	Add: Other un-allocable income net off un-allocable expenditure	7.03	24.89
	<b>Total Profit before tax &amp; Extraordinary items</b>	<b>38.71</b>	<b>238.78</b>
3	<b>Segment Assets</b>		
	- Chemical	537.77	537.77
	- Pharmaceutical	945.34	945.34
	- Unallocated	479.19	479.19
	<b>Total Assets</b>	<b>1,962.30</b>	<b>1,962.30</b>
4	<b>Segment Liabilities</b>		
	- Chemical	272.74	272.74
	- Pharmaceutical	179.72	179.72
	- Unallocated	117.56	117.56
	<b>Total Liabilities</b>	<b>570.02</b>	<b>570.02</b>

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# IOL CHEMICALS AND PHARMACEUTICALS LIMITED

CONSOLIDATED AUDITED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2022

Particulars	As at 31.03.2022 in ₹ Crore
<b>ASSETS</b>	
<b>1 Non-current assets</b>	
(a) Property, plant and equipment	559.49
(b) Right of use assets	0.97
(c) Capital work-in-progress	102.03
(d) Other Intangible assets	0.18
(e) Intangible assets under development	3.17
(f) Financial assets	
(i) Other financial assets	205.34
(g) Other non-current assets	10.30
<b>Total non-current assets</b>	<b>881.48</b>
<b>2 Current assets</b>	
(a) Inventories	409.89
(b) Financial assets	
(i) Investments	2.37
(ii) Trade receivables	469.80
(iii) Cash and cash equivalents	3.56
(iv) Bank balances other than (iii) above	136.43
(v) Other financial assets	22.98
(c) Current tax assets (net)	0.91
(d) Other current assets	34.88
<b>Total current assets</b>	<b>1,080.82</b>
<b>TOTAL ASSETS</b>	<b>1,962.30</b>
<b>EQUITY AND LIABILITIES</b>	
<b>Equity</b>	
(a) Equity share capital	58.71
(b) Other equity	1,333.57
<b>Total equity</b>	<b>1,392.28</b>
<b>Liabilities</b>	
<b>1 Non-current liabilities</b>	
(a) Financial liabilities	
(i) Borrowings	-
(ia) Lease liabilities	0.18
(b) Provisions	3.01
(c) Deferred tax liabilities (net)	53.18
(d) Other non-current liabilities	0.25
<b>Total non-current liabilities</b>	<b>56.62</b>
<b>2 Current liabilities</b>	
(a) Financial liabilities	
(i) Borrowings	42.75
(ia) Lease liabilities	1.02
(ii) Trade payables	409.29
(iii) Other financial liabilities	30.02
(b) Other current liabilities	22.98
(c) Provisions	7.34
<b>Total current liabilities</b>	<b>513.40</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,962.30</b>



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## IOL CHEMICALS AND PHARMACEUTICALS LIMITED

### CONSOLIDATED AUDITED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022

Particulars	For the year ended 31.03.2022 in ₹ Crore
<b>Cash flow from operating activities</b>	
Profit before tax	224.85
<b>Adjustments for:</b>	
Depreciation and amortisation expense	43.26
Unrealised foreign exchange (Gain)/Loss on foreign currency rate fluctuation	(1.28)
Net (Gain)/Loss on fair valuation of investments measured at fair value through profit or loss	(0.02)
Subsidy Income amortized	(0.07)
Interest income on financial assets carried at amortized cost net of rent amortized during the period	(0.08)
Liabilities no longer required written back	(0.03)
Lease Liability Provision written back	(0.08)
Net (Gain)/Loss on Property, plant and equipment sold	0.24
Loss on Property, plant and equipment discarded	0.85
Interest expense	8.29
Interest income	(17.96)
	33.12
<b>Operating profit before working capital changes</b>	<b>257.97</b>
Changes in working capital:	
Increase/(Decrease) in trade payables and other liabilities	183.19
Decrease/(Increase) in trade and other receivables	(170.78)
Decrease/(Increase) in inventories	(114.75)
	(102.34)
<b>Cash generated from operations</b>	<b>155.63</b>
Income tax paid (net)	(62.58)
<b>Net cash flow from/(used in) operating activities (A)</b>	<b>93.05</b>
<b>Cash flow from investing activities</b>	
Purchase of property, plant and equipment including intangible assets and Capital work in progress	(153.29)
Proceeds from sale of property, plant and equipment	1.89
Purchase of investment	(1.14)
Interest received	18.60
<b>Bank balances not considered as cash and cash equivalents:</b>	
Decrease in deposit with banks, having original maturity more than three months	23.55
Increase in deposit with banks, in earmarked accounts to the extent held as margin money against borrowings and other commitments	(9.80)
<b>Net cash flow from/(used in) investing activities (B)</b>	<b>(120.19)</b>
<b>Cash flow from financing activities</b>	
Proceeds/(Repayment) of current borrowings	42.75
Interest paid	(8.11)
Lease rent payments	(1.06)
Dividend paid on Equity shares	(35.22)
<b>Net cash flow from/(used in) financing activities (C)</b>	<b>(1.64)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(28.78)</b>
Cash and cash equivalents at the beginning of the period	32.34
Cash and cash equivalents at the end of the period *	3.56
* Comprises	
Balances with banks in current account	3.14
Cash on hand	0.42
	3.56



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## IOL CHEMICALS AND PHARMACEUTICALS LIMITED

### NOTES:

- 1 The above audited results have been reviewed by the Audit Committee and thereafter approved by the Board of Directors at their respective meetings held on 30<sup>th</sup> May 2022.
- 2 The financial results of the Company have been audited by the Statutory Auditors and prepared in accordance with the Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India. The statutory auditors have expressed an unmodified opinion on these results.
- 3 The exceptional items amounting to ₹ 13.93 crores represent one time cost towards Right of Recompense (RoR) payable to the lenders against sacrifices made by them in FY 2014-15 on account of restructuring done under Joint Lenders Forum (JLF) route.
- 4 The Company has considered the possible impact of COVID-19 on carrying amounts of receivables, inventories, plant and its tangible and intangible assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions, the Company has, as at the date of approval of these financial results, used internal and external sources of information, including economic forecasts and estimates from market sources, on the expected future performance of the Company. On the basis of evaluation and current indicators of future economic conditions, the Company expects to recover the carrying amounts of these assets and does not anticipate any impairment to these financial and non-financial assets. However, considering the uncertainties associated with the nature and duration of Covid-19 pandemic, the impact assessment is a continuing process and the Company will continue to monitor any material changes to future economic conditions.
- 5 The Code on Social Security, 2020 ("SS Code") relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The SS Code has been published in the Gazette of India. However, the date on which the SS Code will come into effect has not been notified yet. The Company will assess the impact of the SS Code when it comes into effect and will record any related impact in the period when the SS Code becomes effective.
- 6 The previous financial period figures have been regrouped/rearranged/restated wherever considered necessary.

By order of the Board  
IOL Chemicals and Pharmaceuticals Limited



Vikas Gupta  
Executive Director  
DIN: 07198109

Place: Ludhiana  
Date: 30<sup>th</sup> May 2022



## Annexure-2

The details as per SEBI Circular CIR/CFD/CMD/4/2015 dated 09.09.2015 are as under:

Sr. No.	Particulars	Mr Sharad Tyagi	Mr Sanjay Chaturvedi
1.	Reason for change viz. appointment, resignation, removal, death or otherwise;	Appointment	Appointment
2.	Date of appointment	30 <sup>th</sup> May 2022	30 <sup>th</sup> May 2022
3.	Term of appointment;	Mr Sharad Tyagi has been appointed as Additional Director in the category Independent Director of the Company.  Subject to the approval by the Shareholders at the ensuing AGM, and on the basis of recommendation of the Nomination and Remuneration Committee the Board has appointed him as Independent Director for a period of 5 years not liable to retire by rotation.	Mr Sanjay Chaturvedi has been appointed as Additional Director in the category Executive Director of the Company and designated as 'Executive <b>Director &amp; CEO</b> '.  Subject to the approval by the Shareholders at the ensuing AGM, and on the basis of recommendation of the Nomination and Remuneration Committee the Board has appointed him as Executive Director for a period of 5 years liable to retire by rotation.
4.	Brief profile (in case of appointment);	As given below	As given below
5.	Disclosure of relationships between directors (in case of appointment of a director).	Nil	Nil

### Brief profile of Mr Sharad Tyagi

Mr Sharad Tyagi brings over 35 years of intrapreneurship in India and international markets in diverse industries including pharmaceuticals, OTC, automotive catalysts and specialty chemicals, successfully building and managing businesses to create profitable high growth organisations delivering sustainable shareholder value.

Most recently until December 2020, he was the Managing Director for Boehringer Ingelheim (BI) (2009-2020), India.

His prior leadership roles include – Senior Vice President, API and Global Head of the API business (2007-2009) at Dr. Reddy's. AND Country Manager India and Director Strategy Asia - Engelhard Corporation (1996-2006).

His early career was at ICI, where he spent the first decade of his professional career across several roles of increasing responsibility.



Since superannuation, Mr Sharad has set founded Tiyash Consulting which offers advisory services in various areas including Strategy, Business Management, Brand Management, Portfolio Development and People Development.

Mr Sharad holds an Engineering Degree from Delhi University and MBA degree from IIM Ahmedabad.

### **Brief profile of Dr Sanjay Chaturvedi**

Dr. Sanjay Chaturvedi is a seasoned global business executive having worked in the specialty chemicals and pharmaceutical industry for over 26 years. He brings a demonstrated track record along with functional expertise in P&L, Sales, Marketing, Strategy, Manufacturing and R&D in multi-cultural and multi-national environments both, in USA and in India.

Dr. Sanjay Chaturvedi has joined the organization on 16th March 2021 in the capacity Chief Executive officer (CEO) of the Company. Earlier, he was the President at Praj Industries – India's leading industrial biotech company. Previously, he was the Vice President & Head - Global Sales and Marketing at Dr. Reddy's Laboratories Ltd. Other professional experience includes senior management roles in Aurobindo Pharma, Rohm and Haas and Dow Chemicals.

Dr Chaturvedi earned a Bachelor's degree in Chemistry (Honors) and a Master's degree in Physical Chemistry from St Stephens College, University of Delhi. He has a PhD in Physical Chemistry from Stony Brook University, New York and a Management degree from Wharton Business School, University of Pennsylvania.



## Press Release

30<sup>th</sup> May 2022, Ludhiana

IOL Chemicals and Pharmaceuticals Limited a leading manufacturer of Pharmaceutical (APIs) and Specialty Chemicals today posted its audited financial results for the quarter and year ending 31<sup>st</sup> March 2022.

### **March 2022 vis a vis December 2021:**

Rs Crore

Particulars	Quarter ended		
	31.03.2022	31.12.2021	%age
Total income	579	564	2.66
EBIDTA	50	68	-26.47
Profit before Tax	37	55	-32.73
Profit after Tax	28	40	-30.00

### **Year ended March 2022 vis a vis Year ended March 2021**

Rs Crore

Particulars	Year ended		
	31.03.2022	31.03.2021	%age
Total income from operations	2216	1991	11.30
EBIDTA	288	616	-53.25
Net Profit before Tax	223	571	-60.95
Net Profit after Tax	166	445	-62.70

*Dr Sanjay Chaturvedi, Executive Director & CEO said "Considering the softening demand, rising input costs and various business challenges combined with volatility in chemical prices which is still prevailing, the revenue of the Company for Q4 are in line with the API Industry.*

*The Company is significantly focused on improving efficiencies to neutralize the impact of increased energy & input cost in addition to passing the increased cost to customers.*

*For sustainable growth of the Company, plans are under implementation to transform the Company from 'Good to Great'*

*The Company has strengthened its team by hiring key talent in Business Development, R&D, Operations, HR etc.*

*The Company is exploring & penetrating new geographies and de-risking business with continuous Backward Integrated model."*

## **About IOL Chemicals and Pharmaceuticals Limited (IOLCP)**

Company was established in 1986, listed on National Stock Exchange of India Ltd (Code: IOLCP) and BSE Ltd (Code: 524164) is one of the leading pharmaceutical (APIs) 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.

The Company's product portfolio includes APIs; Ibuprofen, Metformin, Fenofibrate, Clopidogrel, Lamotrigine, Pantoprazole, Paracetamol 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 12,000 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 Liquid Discharge (ZLD) 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, Belgium, Hungary, Spain, Germany, Italy, Netherlands, Switzerland, Poland, Ireland, USA, Peru, Brazil, Argentina, Colombia, Indonesia, South Korea, Thailand, Bangladesh, Turkey, U.A.E., China, Hong Kong, Egypt 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.*