

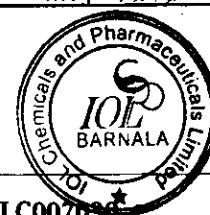


# IOL CHEMICALS AND PHARMACEUTICALS LIMITED

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2017

(Rs. in Crore)

Sr. No.	Particulars	Quarter ended			Half year ended	
		(Unaudited) 30.09.2017	(Unaudited) 30.06.2017	(Unaudited) 30.09.2016	(Unaudited) 30.09.2017	(Unaudited) 30.09.2016
I	Revenue from operations (refer note no.2)	217.79	232.97	187.46	450.76	367.98
II	Other Income	0.35	0.33	0.32	0.68	0.63
III	<b>Total revenue (I+II)</b>	<b>218.14</b>	<b>233.30</b>	<b>187.78</b>	<b>451.44</b>	<b>368.61</b>
IV	<b>Expenses</b>					
	Cost of materials consumed	136.37	148.50	132.61	284.87	240.13
	Purchase of stock-in-trade	0.40	-	-	0.40	-
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	12.81	2.83	(17.84)	15.64	(18.62)
	Employee benefits expense	13.99	13.55	10.95	27.54	21.91
	Finance costs	16.61	17.14	16.77	33.75	34.01
	Depreciation and amortization expense	7.57	7.31	7.47	14.88	14.94
	Excise duty on sales (refer note no.2)	-	17.66	15.11	17.66	33.65
	Other expenses	24.55	23.14	21.45	47.69	40.31
	<b>Total Expenses</b>	<b>212.30</b>	<b>230.13</b>	<b>186.52</b>	<b>442.43</b>	<b>366.33</b>
V	Profit/(loss) before exceptional items and tax (III-IV)	5.84	3.17	1.26	9.01	2.28
VI	Exceptional items	-	-	-	-	-
VII	Profit/(loss) before tax (V-VI)	5.84	3.17	1.26	9.01	2.28
VIII	<b>Tax Expense</b>					
	(i) Current tax	1.38	0.64	0.27	2.02	0.48
	(ii) Deferred tax	0.03	(0.45)	0.04	(0.42)	0.14
	<b>Total tax expense</b>	<b>1.41</b>	<b>0.19</b>	<b>0.31</b>	<b>1.60</b>	<b>0.62</b>
IX	<b>Profit/(loss) for the period for continuing operation (VII-VIII)</b>	<b>4.43</b>	<b>2.98</b>	<b>0.95</b>	<b>7.41</b>	<b>1.66</b>
X	Profit/(loss) from discontinued operations	-	-	-	-	-
XI	Tax expense of discontinued operations	-	-	-	-	-
XII	Profit/(loss) from discontinued operations (after tax) (X-XI)	-	-	-	-	-
XIII	<b>Profit/(loss) for the period (IX+XII)</b>	<b>4.43</b>	<b>2.98</b>	<b>0.95</b>	<b>7.41</b>	<b>1.66</b>
XIV	<b>Other Comprehensive Income</b>					
A	(i) Items that will not be reclassified to profit or loss	-	-	-	-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-
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	<b>Total Comprehensive Income for the period (XIII+XIV) (Comprising profit/(loss) and other comprehensive income for the period)</b>	<b>4.43</b>	<b>2.98</b>	<b>0.95</b>	<b>7.41</b>	<b>1.66</b>
XVI	Paid-up equity share capital (Face value Rs.10/- per share)	56.21	56.21	56.21	56.21	56.21
XVII	Earning per equity share of Rs.10/- each (for continuing operations)					
	Basic	0.79	0.53	0.17	1.32	0.30
	Diluted	0.79	0.53	0.17	1.32	0.30
	Cash	2.14	1.75	1.51	3.89	2.98
XVIII	Earning per equity share of Rs.10/- each (for discontinued operations)					
	Basic	-	-	-	-	-
	Diluted	-	-	-	-	-
	Cash	-	-	-	-	-
XIX	Earning per equity share of Rs.10/- each (for continuing and discontinued operations)					
	Basic	0.79	0.53	0.17	1.32	0.30
	Diluted	0.79	0.53	0.17	1.32	0.30
	Cash	2.14	1.75	1.51	3.89	2.98



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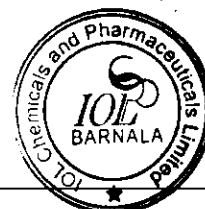


# IOL CHEMICALS AND PHARMACEUTICALS LIMITED

Balance Sheet as at 30 September 2017

Rs. in Crore

Particulars		As at 30.09.2017
<b>ASSETS</b>		
<b>1</b>	<b>Non-current assets</b>	
(a)	Property, Plant and Equipment	384.40
(b)	Capital work in progress	18.01
(c)	Intangible assets	0.80
(d)	Financial assets	
(i)	Investments	0.03
(ii)	Other Non current assets	12.17
	<b>Total non-current assets</b>	<b>415.41</b>
<b>2</b>	<b>Current Assets</b>	
(a)	Inventories	240.53
(b)	Financial assets	
(i)	investments	0.06
(ii)	Trade receivables	126.98
(iii)	Cash and cash equivalents	12.04
(iv)	Bank Balances [other than (iii) above]	17.12
(v)	Other financial assets	0.52
(c)	Other current assets	20.54
	<b>Total current assets</b>	<b>417.79</b>
	<b>TOTAL ASSETS</b>	<b>833.20</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a)	Share capital	56.21
(b)	Other equity	139.71
	<b>Total equity</b>	<b>195.92</b>
<b>Liabilities</b>		
<b>1</b>	<b>Non-current liabilities</b>	
(a)	Financial Liabilities	
	Borrowings	270.26
(b)	Provisions	2.53
(c)	Deferred tax liabilities	1.61
(d)	Other long term liabilities	1.93
	<b>Total non-current liabilities</b>	<b>276.33</b>
<b>2</b>	<b>Current Liabilities</b>	
(a)	Financial Liabilities	
(i)	Borrowings	166.24
(ii)	Trade payables	151.46
(iii)	Other financial liabilities	41.50
(b)	Other current liabilities	1.25
(c)	Provisions	0.03
(d)	Current tax liabilities (net)	0.47
	<b>Total current liabilities</b>	<b>360.95</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>833.20</b>



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# IOL CHEMICALS AND PHARMACEUTICALS LIMITED

Segment wise Revenue, Results and Capital Employed, along with the quarterly results

(Rs. in Crore)

Sr.No.	Particulars	Quarter ended			Half year ended	
		(Unaudited) 30.09.2017	(Unaudited) 30.06.2017	(Unaudited) 30.09.2016	(Unaudited) 30.09.2017	(Unaudited) 30.09.2016
1	<b>Segment Revenue</b>					
	(Net sale/income)					
	- Chemicals	104.94	113.59	97.52	218.53	196.98
	- Drugs	143.78	130.28	99.37	274.06	184.24
	- Unallocated	2.55	0.62	0.66	3.17	1.44
	<b>Total</b>	<b>251.27</b>	<b>244.49</b>	<b>197.55</b>	<b>495.76</b>	<b>382.66</b>
	Less : Inter segment revenue	33.13	28.85	24.88	61.98	47.70
<b>Net sales/income from operations</b>	<b>218.14</b>	<b>215.64</b>	<b>172.67</b>	<b>433.78</b>	<b>334.96</b>	
2	<b>Segment Results</b>					
	Profit(+)/(loss)(-) before tax and interest from each segment)					
	- Chemicals	0.86	0.40	(1.41)	1.26	(3.17)
	- Drugs	21.46	18.85	18.85	40.31	38.81
	<b>Total</b>	<b>22.32</b>	<b>19.25</b>	<b>17.44</b>	<b>41.57</b>	<b>35.64</b>
	Less: Interest	16.61	17.14	16.77	33.75	34.01
	Add: Other un-allocable income net off un-allocable expenditure	0.13	1.06	0.59	1.19	0.65
	<b>Income Tax (Net)</b>					
<b>Total Profit(+)/(loss) (-) before tax &amp; Extraordinary items</b>	<b>5.84</b>	<b>3.17</b>	<b>1.26</b>	<b>9.01</b>	<b>2.28</b>	
3	<b>Segment Assets</b>					
	- Chemicals	298.83	303.60	316.38	298.83	316.38
	- Drugs	485.93	488.43	441.68	485.93	441.68
	- Unallocated	48.45	40.39	32.92	48.45	32.92
	<b>Total Assets</b>	<b>833.21</b>	<b>832.42</b>	<b>790.98</b>	<b>833.21</b>	<b>790.98</b>
4	<b>Segment Liabilities</b>					
	- Chemicals	282.82	293.96	298.64	282.82	298.64
	- Drugs	332.42	329.28	295.39	332.42	295.39
	- Unallocated	22.05	17.70	10.93	22.05	10.93
	<b>Total Liabilities</b>	<b>637.29</b>	<b>640.94</b>	<b>604.96</b>	<b>637.29</b>	<b>604.96</b>

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 13 November 2017. These results have been subjected to limited review by the Statutory Auditors.
- Post implementation of Goods and Service Tax (GST) w.e.f. 01 July 2017, revenue from operations is disclosed net of GST. Accordingly, revenue from operations for the quarter and half year ended 30 September 2017 are not comparable with those of the previous periods presented in the results.

Had the previously reported revenue shown net of excise duty, comparative revenue of the company would have been as follows:

(Rs. in Crore)

Particulars	Quarter ended			Half year ended	
	30.09.2017	30.06.2017	30.09.2016	30.09.2017	30.09.2016
<b>Net revenue from operations</b>	<b>217.79</b>	<b>215.31</b>	<b>172.35</b>	<b>433.10</b>	<b>334.33</b>

- The Company has successfully set up unit III to manufacture existing pipe line APIs i.e. Fenofibrate, Clopidogrel, Lamotrigine etc. with project cost of Rs.16.48 crore which was financed through internal accruals.
- The Company is in process of setting up Unit IV for manufacturing Metformin an anti diabetic drug with a capacity of 2880 TPA with project cost of Rs.10 crore which will be financed through internal accruals.
- The company has planned to enhance the existing manufacturing capacities which will result in increase in capacities of Ibuprofen from 7200 TPA to 12000 TPA and also enhance the capacities of backward integrated products i.e. Iso butyl Benzene from 9000 TPA to 12000 TPA, Mono Chloro Acetic Acid from 7200 TPA to 10500 TPA and Acetyl Chloride from 5200 TPA to 8400 TPA with a project cost of Rs.200 crore which will be met through combination of equity, internal accruals and loans over a period of two years.



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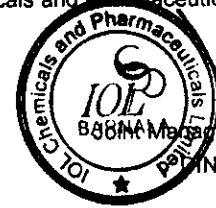
## IOL CHEMICALS AND PHARMACEUTICALS LIMITED

- The Company has adopted Indian Accounting Standards ('Ind AS') notified by the Ministry of Corporate Affairs with effect from 01 April 2017 (being transition from 01 April 2016).
- The Ind AS financial results for the quarter ended 30 September 2016 have not been subjected to any limited review.
- The reconciliation of the financial results for the quarter and half year ended 30 September 2016 to those reported under previous Generally Accepted Accounting Principles (GAAP) is summarised as follows:

Particulars	(Rs. in Crore)	
	Quarter ended 30.09.2016	Half year ended 30.09.2016
Profits after tax as per previous Indian GAAP	0.98	1.71
<b>Add/less adjustments</b>		
Loan processing fees recognised using effective interest method	(0.06)	(0.12)
Profit on reinstatement of investments	-	0.01
Subsidy income amortized	0.03	0.06
Reversal of depreciation on account of loan processing fee decapitalised	0.02	0.04
Additional depreciation on account of capital subsidy capitalised	(0.02)	(0.04)
Deferred tax adjustments	-	-
<b>Total adjustments</b>	<b>(0.03)</b>	<b>(0.05)</b>
<b>Ind AS</b>	<b>0.95</b>	<b>1.66</b>

- Figures for the previous corresponding period have been regrouped, wherever considered necessary.

By order of the Board  
For IOL Chemicals and Pharmaceuticals Limited



*Vijay Garg*  
Vijay Garg  
Managing Director

Place: Ludhiana  
Date: 13 November 2017

PH: 06510248

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**INDEPENDENT AUDITOR'S REVIEW REPORT**

To  
The Board of Directors,  
IOL Chemicals and Pharmaceuticals Limited,  
Ludhiana.

**Introduction**

We have reviewed the accompanying statement of unaudited financial results of IOL Chemicals and Pharmaceuticals Limited (the Company) for the quarter and six months period ended 30<sup>th</sup> September, 2017 being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations").

This Statement, which is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

**Scope of Review**

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 financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly we do not express an audit opinion.

**Conclusion**

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with Indian accounting standards (Ind AS) and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.



**Other Matters**

We draw attention to the following matters:


- a. Refer Note 6 to the Statement which states that the Company has adopted Ind AS for the financial year commencing from April 1, 2017 and accordingly, the Statement has been prepared in compliance with Ind AS.
  
- b. We have not reviewed the comparative figures including the reconciliation of Total Comprehensive Income for the quarter and six months period ended on 30<sup>th</sup> September, 2016 and accordingly, we do not express any conclusion on the results in the Statement for the quarter and six months period ended 30<sup>th</sup> September, 2016. These figures have been furnished to us by the Management.

Our conclusion is not qualified in respect of these matters.

**Dated: 13<sup>th</sup> November, 2017**  
**Place: Ludhiana**



**For S.C. Vasudeva & Co.**  
**Chartered Accountants**  
**Registration No.00235N**

  
**(Sanjiv Mohan)**  
**Partner**  
**M. No. 086066**