



VEL/PR/31/05/2018

31.05.2018

<p>The General Manager- Listing National Stock Exchange Limited. Exchange Plaza, Bandra- Kurla Complex, Bandra (E), Mumbai 400051. Fax: 022-26598235/36 NSE Symbol: VIKASECO.</p>	<p>The General Manager- Listing BSE Limited. Phirozee Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001. Scrip Code: 530961.</p>
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Sub: Press Release

Dear Sir,

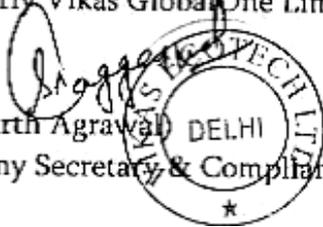
Please find attached herewith press release of the Company w.r.t. Quarterly Results for the 4th Quarter and year ended 31st March, 2018 of the Company for your records and further dissemination.

Kindly place it on record and update your website.

Thanking you.

For Vikas EcoTech Limited
(Formerly Vikas GlobalOne Limited)

(Siddharth Agrawal)
Company Secretary & Compliance Officer





Q4 and FY18 Financial Results

31st May, New Delhi: Vikas Ecotech today announced its Q4 and FY18 results. The company reported a topline of INR 372 crores and an EBITDA of 62 crores for FY18. The detailed performance summary is given below:

PARTICULARS	Q4FY18	Q4FY17	CHANGE (in %)	FY18	FY17	CHANGE (in %)
Revenues	34.16	103.52	(67.0)%	372.30	389.32	(4.4)%
EBITDA	2.57	21.04	(87.8)%	61.89	69.32	(10.7)%
EBITDA Margin	7.52%	20.32%		16.6%	17.8%	
PBT	(3.19)	(1.04)	205.7%	43.62	35.74	22.1%
PAT	(2.00)	(0.83)	140.3%	28.61	23.20	23.3%
EPS	(0.07)	(0.03)	117.3%	1.02	0.91	12.1%

The company reported a stable set of FY18 revenues as compared to the last year despite a highly disruptive fourth quarter. Profitability has also remained largely flat on a year-on-year basis.

Organotin Sales To USA Market

During the quarter, Vikas EcoTech commenced its first sales of Organotin Stabilizers to the US market. USA had banned the use of toxic stabilizers back in 1986 and now is the world's biggest market for Organotin stabilizers, amounting to over 80,000 MT of annual consumption. The company is working out a detailed marketing strategy to capture a meaningful share in the USA market.

Directorate of Revenue Intelligence Survey

In the fourth quarter of FY18, the Directorate of Revenue Intelligence conducted a detailed survey of the company's international trade operations including import and export consignments. These surveys were carried out at the ports as well as office and factory premises. Almost 70-80 per cent of the company's raw materials are imported while exports constitute nearly 50 per cent of the total revenue. As a result, the company experienced a significant disruption of its day-to-day operations.

Since, company relies heavily on Import and Export trade, the disruption in operations led to fall in company's revenue. As of now company's day-to-day operations have returned to normalcy. The company is working tirelessly towards strong ramp up of its operations and is on its way towards restoration to the earlier sales trajectory.

Demerger Update

To unlock the true value of the business and to achieve prosperity in each segment of the business, the company had decided to demerge its business into 2 separate entities: High Value Groups and High Volume Groups. Consequently, Vikas Ecotech would house the High Value Group i.e. the specialty chemicals and compounds business while the resultant company Vikas Multicorp Ltd. would contain the recycled compounds and trading businesses, which traditionally have lower margins but higher revenues.

The final hearing for the above scheme of arrangement at the NCLT is scheduled for August 1st, 2018. Once the NCLT approval is granted, shareholders of Vikas Ecotech shall receive additional shares of Vikas Multicorp in the ratio of 1:1 at no extra cost and Vikas Multicorp would be listed as an independent entity on the bourses.

Insurance Claim

During the last year, the company saw an unfortunate fire incident at one of its plants due to which it suffered an extraordinary loss of INR 16.8 crores. The company had filed an insurance claim for the same. It is hopeful of resolution of said claim by the insurance provider and expects to receive the entire compensation in FY19.

Vikas Garg, M.D., Vikas EcoTech says:

“We are pleased to report a stable set of numbers in FY18 despite the various disruptions seen during the 4th quarter. Our company strongly believes in providing a lead-free environment and are hence, proud to be the only manufacturer of ‘Organotin stabilizers’ in India. With the increasing concern towards lead poisoning in India, the country is gradually leaning towards usage of non-toxic stabilizers. This opportunity augurs well for the company's future growth and sustainability. We are confident of sustainable future profitability by capitalising on our innovative and eco-friendly products.”

For Further information, please contact:

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Disclaimer-

The information contained herein has been prepared to assist prospective investors in making their own evaluation of Vikas Ecotech Limited (hereinafter ‘the company’) and does not purport to be all-inclusive or to contain all of the information a prospective or existing investor may desire. This information may include certain statements and estimates provided by the company with respect to the projected future performance of the company. Such statements, estimates and projections reflect various assumptions by management concerning possible anticipated results, which assumptions may or may not be actually achieved. Prospective investors will be expected to have conducted their own due diligence investigation regarding these and all other matters pertinent to investment in the company. This presentation may contain statements that are “forward looking statements.” The company’s actual future results may differ materially from those suggested by such statements, depending on various factors for which the company and its management does not take any responsibility.