



VEL/PR/14/11/2018

14<sup>th</sup> November, 2018

The General Manager-Listing National Stock Exchange Limited Exchange Plaza, Bandra-Kurla Complex Bandra(E) Mumbai-400051 Fax:- 022-26598235/36 NSE Symbol- VIKASECO	The General Manager-Listing Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers Dalal Street Fort, Mumbai-400001 Scrip Code:- 530961
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**Sub: - Press Release**

Dear Sir

Please find attached herewith Press Release of the Company w.r.t. Quarterly Results of the Company for your record 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





## Results for the Second Quarter and Half Year ended 30<sup>th</sup> Sept., 2018

### First Quarter of De-merged Financials

14<sup>th</sup> November, 2018, New Delhi: Vikas Ecotech Limited (“VEL” or the “Company”) announced its results for the Second Quarter (“Q2”) and Half Year (“H1”) FY19 today.

#### Quarter Highlights

- NCLT approved De-merger of Vikas EcoTech Limited; Q2 FY19 is the first quarter wherein the results are without the financials of the De-merged business.
- Operating performance was impacted due to seasonal weakness in Q2 on account of lower demand resulting in lower revenues of INR 48.7 crores
- Q2 EBITDA, at INR 12.0 crores, was slightly lower due to higher raw material cost owing to rising crude oil prices.
- The Company posted a healthy net profit of INR 6.9 crores

De-Merged Financials (INR Crs.)	Q2 FY19	Q1 FY19	QoQ Change
Revenues	48.7	58.9	-17.3%
EBITDA	12.0	12.7	-5.9%
EBITDA Margin (%)	24.6	21.5	306 bps
PBT	8.8	8.7	1.9%
PAT	6.9	5.6	24.1%
EPS (INR)	0.25	0.20	21.3%

#### NCLT Approves De-Merger of the high volume Recycled compounds and Trading Business

In November 2018, The National Company Law Tribunal approved the De-merger of VEL’s High-volume ‘Trading and Recycled Compounds Division’ and its subsequent amalgamation with Vikas Multicorp Limited (“VML”). VML will be listed as a separate entity on the stock exchanges and shareholders of VEL will receive one equity share of VML for every one equity share held in VEL. The scheme of arrangement shall be effective from 1<sup>st</sup> April, 2017 and the record date for allotment of VML shares is fixed for 21<sup>st</sup> Nov., 2018.

#### Strong Focus on Backward Integration

The Company is exploring strategic tie ups to improve raw material security and subsequently stabilise production of Organotins. VEL has tied-up with a leading German company to produce 2-EHTG which is the key raw material for production of Organotins. The company is also pursuing opportunities to acquire established manufacturing facility to reduce Organotins lead time to the market.

#### Prestigious AEO Certification to help ease Working Capital Cycle

VEL received the prestigious “Authorized Economic Operator” AEO-T1 certificate from the Central Board of Indirect Taxes & Customs (CBIC), Ministry of Finance, Government of India.

The certificate has been awarded in recognition & appreciation of VEL's commitment to secure the international supply chain. The AEO-T1 certification for Vikas EcoTech is valid upto October, 2021.

The AEO programme aims at providing additional facilities to the legitimate companies/ traders who have demonstrated strong internal control system and willingness to comply with the laws administered by the CBIC. An entity with an AEO status can, therefore, be considered a 'secure' trader and a reliable trading partner. The AEO certification is granted after a thorough check of a company's general compliance, legal compliance, management of commercial and transport records, financial solvency and safety by the AEO Team of the CBIC. This AEO-T1 certification enables Vikas EcoTech to be known as one of India's top-class exporters and shall be accorded a high level of facilitation in imports and export of all consignments, thereby ensuring shorter cargo release times.

### **Ratings Reaffirmed by Brickworks**

During the course of its regular business, Brickwork's reaffirmed company's rating for long term working capital bank facilities at BBB+ outlook and 'A2' ratings on the short-term working capital loans with a positive outlook.

### **Insurance Claim**

Insurance Surveyor has submitted the final report of company's claim to Oriental Insurance Co. Ltd. in November, 2018. Company expects the settlement of claim during the current Financial Year.

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.