



VEL/PR/19/11/2018

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

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

Dear Sir

Please find attached herewith Strategic update - press release of the Company w.r.t. sale of shares by Promoter, Mr. Vikas Garg and the 2<sup>nd</sup> qtr. De-merged Financial 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



## Strategic Update

Vikas Ecotech (“VEL” or the “Company”) Limited would like to provide the following strategic Update:

**Share Sale by Promoters:** Mr. Vikas Garg, Promoter and Managing Director of the Company, has sold 1,13,79,144 Equity Shares at a price of Rs. 14.01 amounting to Rs. 15.94 Crores on 16<sup>th</sup> Nov., 2018 to raise funds for an upcoming inorganic growth opportunity. The funds raised by the promoter will be utilised in the company via zero interest unsecured loan.

The company is currently exploring a strategic inorganic growth opportunity for production of 2-EHTG as well as other asset purchases. The strategic option being explored would significantly reduce the lead time of its primary product, ‘Organotins’ to the market by ensuring raw material security. The share sale by the promoter has been undertaken to provide company with interim funding to explore the said opportunity.

### Q2 FY19 – First Quarter of De-merged Financials:

Vikas Ecotech released its Q2 FY19 results on, 14<sup>th</sup> Nov., 2018 in which, for the first time company stated the standalone financials of only its Speciality Chemicals business which would henceforth remain in VEL.

VEL received approval from the National Company Law Tribunal (“NCLT”) for De-merger of its high-volume trading and recycled compounds business into Vikas Multicorp Limited on 6<sup>th</sup> Nov., 2018. Consequently in compliance with NCLT’s order, company came out with standalone financials of only the Speciality chemicals division for Q2 FY19. Also, the results of Q1 FY19 and for whole year FY18 were restated, stating only the standalone numbers. The results of Q2 and H1 of last year FY18, were not restated in the above mentioned Q2 results and represent consolidated numbers of the demerged division and hence are not comparable with the current FY19 numbers.

### VEL Standalone Financials (Speciality Chemicals division)

| Particulars<br>(INR Crs.) | Q2 FY19 | Q1 FY19 | QoQ<br>Change | H1 FY19 | FY18  |
|---------------------------|---------|---------|---------------|---------|-------|
| Revenues                  | 48.7    | 58.9    | -17.3%        | 107.5   | 240.2 |
| EBITDA                    | 12.0    | 12.7    | -5.9%         | 24.7    | 56.4  |
| EBITDA Margin (%)         | 24.6    | 21.5    | 306 bps       | 22.9    | 23.5  |
| PBT                       | 8.8     | 8.7     | 1.9%          | 17.5    | 42.0  |
| PAT                       | 6.9     | 5.6     | 24.1%         | 12.5    | 27.5  |
| EPS (INR)                 | 0.25    | 0.20    | 21.3%         | 0.45    | 0.98  |

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**About Vikas Ecotech Limited ([www.vikasecotech.com](http://www.vikasecotech.com))** : Vikas Ecotech is an emerging player in the global arena of high-end specialty chemicals. An integrated, multi-specialty product solutions company, it produces a wide variety of superior quality, eco-friendly additives and rubber-plastic compounds. Its additives and rubber-plastic compounds are process-critical and value-enabling ingredients used to manufacture a varied cross-section of high-performance, environment-friendly and safety-critical products. From agriculture to automotive, cables to electricals, hygiene to healthcare, polymers to packaging, textiles to footwear, the company's products serve a diverse range of global industry needs.

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.

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