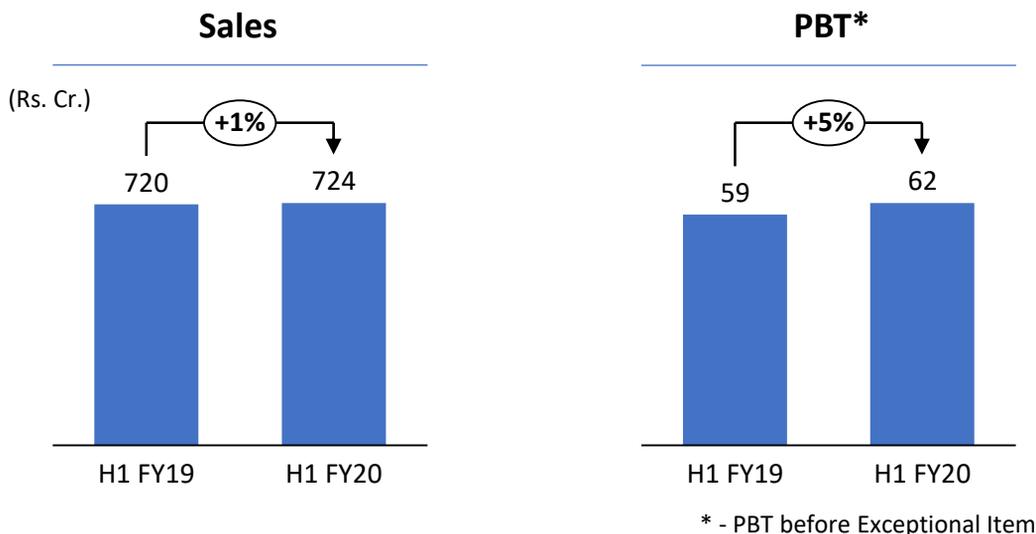


Hikal Limited: H1FY20 Results

- ✓ Revenue of Rs. 724 Crores
- ✓ PBT* of Rs. 62 Crores; YoY growth of 5%

Mumbai, October 25, 2019: Hikal Ltd., a preferred long-term partner for leading global life sciences companies, announced its financial results for the quarter and half year ended 30th September, 2019.

Highlights for half year ended 30th September, 2019



Performance for the half year ended 30th September, 2019 was impacted due to:

- Exceptional Item: Payment of Customs Duty of Rs. 15.42 crores
 - Customs duty payment relates to past imports of Raw Materials at an Export Oriented Unit post GST implementation
- Crop Protection Division: Revenue of Rs. 312 crores
 - Postponement of volume off-take by our Innovator Customers due to de-stocking
 - Impact of heavy flooding resulting in temporary plant shutdown at Mahad
 - NGT (National Green Tribunal) order of reducing water supply by 50% impacted whole of Taloja MIDC industrial area, which is in the process of being restored
- Pharmaceuticals Division: Revenue of Rs. 412 crores
 - Volume of few products were affected due to increased finished goods inventory at Customer's end
 - Multi-purpose Plant shutdown to increase capacity at Bangalore facility resulting in lower production

Commenting on the results, Jai Hiremath, Chairman & Managing Director, Hikal Ltd. said,

“We are pleased to announce that US FDA has successfully audited our Bangalore and Panoli facility in August & September of this year. Our Panoli facility had Zero 483s whereas our Bangalore facility had only 1 minor 483 observation, which has already been closed out. This is a strong testament to our continuous focus on Regulatory Compliance, Quality and Integrity of operations.

We are also pleased to announce that Mrs. Shivani Bhasin Sachdeva has joined our Board as an Independent Director. Mrs. Sachdeva is Founder & CEO of India Alternatives, a reputable mid-market private equity fund focused on investing in transformational themes in India. Her long standing experience in shaping strategies of leading companies through board level involvement will be a great asset to the Company.

In Q2 FY20 we have been impacted by several factors beyond our control such as heavy floods at our Mahad and Panoli facilities and the NGT order for Taloja MIDC Industrial area, which severely affected our production. With the slowdown in the global economy we have also seen a build-up of finished goods inventory at few of our Crop Protection and Pharmaceuticals customers. We expect the situation to normalize in the quarters to come.

We are pleased to inform, that even in the current challenging environment ICRA has re-affirmed our Credit Rating for Long term Bank Facilities at ICRA A with Stable outlook and ICRA A1 for Short Term Bank Facilities.

Our capacity expansion plans are on track for both our divisions. We believe the long-term prospects for our new products that we will be launching soon continues to remain robust.”

About Hikal Limited

Hikal is a reliable long-term partner to companies in the Pharmaceuticals, Crop Protection, and Specialty Chemicals industry. The company is in the business of supplying research services, active ingredients and intermediates, manufactured using stringent global quality standards, for its global customers. Hikal's advanced manufacturing facilities have been inspected and approved by leading multinational companies in the Crop protection and Pharmaceutical sectors. The Crop protection facilities are located at Taloja and Mahad (Maharashtra). Hikal's R&T facilities are located at Pune. The Pharmaceutical manufacturing facilities are situated in Jigani (Bengaluru) and Panoli (Gujarat). Hikal is the first Indian life-sciences company to receive the Responsible Care® certification governed by the International Council of Chemical Associations (ICCA).

Safe Harbor Statement

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

For further information, please contact

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