



June 18, 2020

Dept. of Corporate Services
BSE Ltd.
P J Towers,
Dalal Street,
Mumbai – 400 001.

Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza, Bandra Kurla Complex
Bandra (East)
Mumbai 400051.

BSE Scrip Code : 524735

NSE Symbol : HIKAL

Dear Sir,

Subject: Results Press Release

We are sending herewith Press Release on Audited Financial Results for the quarter and year ended March 31, 2020.

This is for your information and records.

Thanking you,
Yours faithfully,
for **HIKAL LTD.**,

Mukund Mujumdar
DGM - Secretarial

Encl : Press Release

Hikal Ltd.

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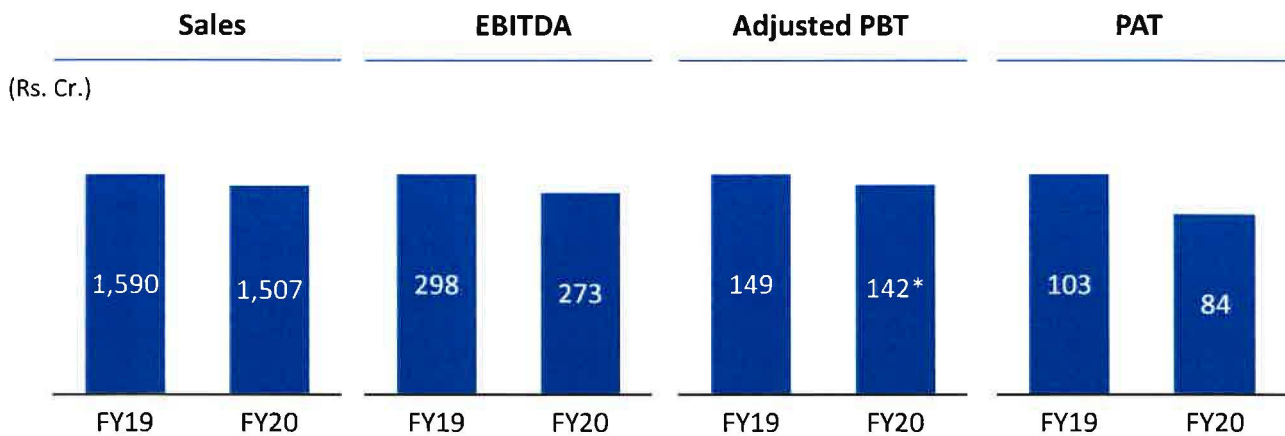


Hikal Limited: FY20 Results

- ✓ FY20 Revenue of Rs. 1,507 Crores
- ✓ FY20 EBITDA of Rs. 273 Crores; EBITDA Margin of 18.1%
- ✓ FY20 Adjusted PBT of Rs. 142 Crores*
- ✓ Total Dividend for the year – 60% (including interim dividend of 50%)

Mumbai, June 18, 2020: Hikal Ltd., a preferred long-term partner for leading global life sciences companies, announced its financial results for the quarter and year ended 31st March 2020.

FY20: Performance



* - Adjusted for Exceptional Item of Rs. 15.40 crores

Segmental Performance for the Full Year ended 31st March 2020

- **Crop Protection sales at Rs. 620 crore** as compared to Rs. 650 crore in FY19
- **Pharmaceutical sales at Rs. 887 crore** as compared to Rs. 939 crore in FY19





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

“This year we faced several headwinds in our business. During the year, the business operations in both divisions were impacted due to several reasons. In Q2 our Crop Division we were affected by severe flooding at our Mahad facility and water cuts at our Taloja facility. Also, in Q2 in our Pharmaceutical division we took a plant shutdown to increase capacities and incurred a onetime exceptional item of Rs 15.4 cr which resulted in a loss of revenues and profits. The nationwide lockdown imposed by Government of India to contain the COVID-19 pandemic further disrupted the operations resulting in loss of revenue towards the end of Q4.

Our Crop protection division recorded sales of Rs 620 cr as compared to Rs 650 cr last year, a degrowth of 4.6%. Our Pharmaceutical division recorded sales of Rs 887 cr. as compared to Rs 939 cr last year, a degrowth of 5.6%. Despite the lower sales and full operating costs in the 4th quarter, our EBITDA margins improved to 18.6% as compared to 18.4% in the corresponding quarter of the past year.

While we experienced challenges in FY 19’20, we are positive about the prospects of both businesses going forward. The pandemic has led to additional inquiries from customers who are looking to de-risk their current supply chains. We are confident that we will be able to capitalise on these opportunities for future growth.

We have used this valuable time to focus on efficiencies and better utilization of our resources. We have implemented several cost rationalization and efficiency improvement measures across the company. These include increasing our domestic sourcing of key raw materials as well as investing in increasing automation, mechanization and implementing Industry 4.0 initiatives which will lead to improvement in operations efficiency.

The Board of Directors have maintained the dividend for the financial year 2019-20 as compared to previous year and have proposed a final dividend of Rs. 0.20 per share (10% of Face Value). So along with the Interim dividend of Re. 1 per share (50% of Face Value) paid in February 2020, the total dividend for the financial year 2019-20 will be Rs. 1.20 per share (60% of Face Value) which is the same as FY 18’19.

With strong customer relationships, a healthy product pipeline, new manufacturing capacity coming on stream for future growth, supported by a healthy balance sheet we are confident of sustainable growth with improvement in margins and return profile in the years to come.”





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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Hikal Limited

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