



VEL/PR/08/08/2016

08th August, 2016

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

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




(Siddharth Agarwal)
Company Secretary & Compliance officer

Regd. Office : Vikas House, 34/1, East Punjabi Bagh, New Delhi- 110026 (INDIA)

Plant 1 : Industrial Grpwth Centre, Phase-I, SIDCO Complex, Distt. Sambe-187 121 (J&K)

Plant 2 : G-24-30, Vigyan Nagar, RIICO Indl. Area, Shahjahanpur, Distt. Alwar -301 706 (Raj)



Vikas Ecotech records buoyant sales with 72% increase in Revenues and 962% increase in profits in Q1 FY 17

Key highlights -

- Major export and domestic client wins resulted in improved revenues
- Operation efficiency and savings in raw material costs helped in margin improvements

Aug 08, 2016, New Delhi

1. Financials: Bottom-line growth sharper than revenue growth

(INR in Crores)

Particulars	Q1 (2016-17)	Q1 (2015-16)
Net Revenues	101	58.6
EBIDTA	17.83	4.93
PAT	9.13	0.86
EPS	0.36	0.03

The company recorded a net revenue of INR 101 crores as compared to INR 59 crores in the corresponding period of the previous year, an increase of 72%. Profit before Interest, Depreciation and Tax was at INR 18 crores, higher by 262% from INR 5 crores in the same period of the previous year. Profit after Tax and EPS rose nearly 10 times to INR 9.13 crores and INR 0.36 as compared to INR 0.86 crores and INR 0.03 respectively recorded in the same period of the previous year.

Exports increased to INR 55 crores from INR 19 crores, a substantial 188% growth.

The company achieved higher turnover and at the same time improved profits – new client wins along with better realisations helped with revenues while cost and operational efficiency contributed to the bottom line.

2. Management comment: Vikas Garg, Managing Director

“We have posted a good performance this quarter with some major initial customer successes in Latin America, Europe and Middle East. Our products are receiving good response from global leaders due to high standards of quality and efficiency. Our growth strategy continues to be driven on the 3 pillars - innovation & R&D driven new product development, capacity enhancement to meet market demand and new customer wins across the globe.”

3. New Clients Wins: Increasing Customer Base in India and Exports

During the quarter the company won new clients both in India and through the exports division. These client wins will aid revenue maximization in the future.

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Vikas Eco have been chosen and has started trial orders for one of Mexico's leading petrochemical giant for Organo Tin Stabilizers. This will translate into commercial orders from Q3 of this financial year. Our products are meeting international standards of quality and we see several interests from the LatAm (Latin America) market.

Rest of the client additions were from the domestic sector (India). They are from the PVC pipes and molding industry, footwear sole manufacturers, automobiles and packaging sectors. The orders are for our specialty additives (primarily Lead-free stabilizers) and plastic compound applications.

4. Business Developments: Continuous Capacity & Process Improvements

During the quarter the company commenced the construction of its state of the art manufacturing plant and Innovation (R&D) Center at Dahej, Gujarat. This is the 3rd plant of Vikas Ecotech. With a capex of Rs. 30 crores, the plant will produce 6,000 MT of Organotin stabilisers (Methyl Tin Mercaptide or MTM) and 5,000 MT of special polymer compounds annually.

The regulatory certification process for our products in key international markets like USA and other developed countries are at various advanced stages. Once we receive the go ahead from the regulators of each country or region, it will help us enter advanced economies that have a burgeoning demand for 'eco-friendly' specialty chemicals.

5. Industry Trends: Voluntary shift to lead free pipes by PVC manufacturers

Businesses continue to focus on technology and solutions. The Indian PVC industry is voluntarily moving towards the concept of 'eco-friendly pipes & plumbing' – replacing lead based chemical applications with lead free chemical applications as raw material inputs. We see demand for our lead free replacements growing continuously.

For editorial queries, please contact -

Ms. Kanchan Pratap, PR Consultant
E- kanchan.pratap@gmail.com
M - + 91 9004664011

Mr. Rajendra Agarwal
E - rajendra.agarwal@vikasecotech.com
M - +91 9711179718

About Vikas Ecotech Limited (www.vikasecotech.com)

Vikas Ecotech is an emerging player in the global arena of the high-end specialty chemicals players. 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-neutral and safety-critical products. From agriculture to automotive, cables to electrical, hygiene to healthcare, polymers to packaging, textiles to footwear, the company's products serve a diverse range of global industry needs.

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