



Press Release

BSE Scrip Code: 506943

NSE Symbol: JBCHEPHARM

Mumbai, November 12, 2019

J.B. Chemicals reports robust pre-tax profit growth in Q2.

J.B. Chemicals & Pharmaceuticals Ltd. (JBCPL) today announced its consolidated unaudited financial results for the quarter ended on September 30, 2019. The highlight of Y-o-Y results is as under:

Consolidated Financial Performance:

(Rs. in crores)

Particulars	Q2			YTD Sept., 2019		
	2019-20	2018-19	YoY Growth (%)	2019-20	2018-19	YoY Growth (%)
Sales	448.53	426.62	5.14	883.62	825.37	7.05
Other Operating income	7.88	8.72	(9.65)	18.91	16.89	11.95
Other Income	18.51	8.55	116.49	31.11	9.97	212.03
Total Income	474.92	443.89	6.99	933.64	852.23	9.55
Operating Profit (EBIT)	83.87	58.37	43.68	164.05	132.94	23.40
EBITDA	100.26	73.06	37.22	196.24	162.32	20.89
Profit before tax	101.51	74.60	36.07	193.49	140.87	37.35
Profit after tax	93.76	51.47	82.17	155.87	97.23	60.31
EPS (Rs.) (FV 2)	11.67	6.14		19.40	11.60	

Sales Performance:

(Rs. in crores)

Sales	Q2			YTD Sept., 2019		
	2019-20	2018-19	YoY Growth (%)	2019-20	2018-19	YoY Growth (%)
Domestic Formulations	204.36	177.11	15.39	411.03	351.58	16.91
Formulations exports	161.24	168.71	(4.43)	309.63	309.69	(0.02)
API Business	19.86	17.87	11.14	38.78	38.64	0.36
Subsidiary Sales	57.23	56.81	0.74	112.93	115.06	(1.85)
Other Sales/Income	5.84	6.12	0.95	11.25	10.40	8.17
Total Sales	448.52	426.62	5.13	883.62	825.37	7.06

- Domestic formulations business at sales of Rs. 189.38 crores registered growth of 15.70% YoY. The overall strategy of expansion of field force is playing out well. Domestic sales of contrast media products at Rs. 14.98 crores were 11.90% higher YoY.
- Formulations exports in Global business (other than Russia-CIS) at Rs. 116.42 crores declined by 8% YoY mainly due to 19% lower sales in US market. Sales of Company's South African subsidiary at Rs. 41.07 crores were flat.
- Russia-CIS sales at Rs. 35.29 crores registered growth of 26.13%. Russian subsidiary's sales at Rs. 16.16 crores were 2% higher, while exports to Ukraine/CIS markets at Rs. 19.13 crores were 57% higher YoY.
- EBIDTA of Rs. 100.26 crores was 22.35% of sales against 17.82% of sales in the corresponding period in the previous year. The higher profitability was a result of cost optimization.
- The increase in other income was mainly on account of higher mark-to-market gain due to increase in the bond yield during the quarter.

NDMA impurity in Ranitidine:

- NDMA is an impurity found in Ranitidine API and some of the Ranitidine products.
- The Company's API vendors analyzed API for NDMA as per international guidelines. They are confident of ensuring that the NDMA in Ranitidine API supplied will be under the acceptable limits.
- The Company will also analyze the formulations for NDMA before release and is confident of delivering the products within acceptable levels of NDMA. As a responsible suppliers of Rantac[®], the Company will continue to work towards patient safety and maintain the standards under the guidance of regulatory authorities.
- Since this is an impurity, both the API manufacturers and the Company are confident of controlling the impurity through stringent manufacturing controls.

Buy-back of shares:

With a view to increase shareholder value and further improve financial ratios, the Board of Directors has authorised buy-back of up to 2,954,545 equity shares of FV 2 of the Company @ Rs. 440 per share aggregating to amount not exceeding Rs. 130 crores (excluding transaction costs). This is within 10% of the paid-up equity share capital and free reserves of the Company as at March 31, 2019.

About JBCPL:

JBCPL, one of India's leading pharmaceutical companies, manufactures & markets a diverse range of pharmaceutical formulations, herbal remedies and APIs. JBCPL exports to many countries worldwide with presence in US, Europe, Australia, South Africa, other developing countries, Russia and CIS. The Company continues to invest in growing its share in the regulated markets such as USA, Europe and Australia. JBCPL has a strong R & D and regulatory set-up for development of new drug delivery system and formulations, filing of ANDAs and DMFs. Its State-of-the-Art manufacturing facilities are approved by health authorities of important regulated markets.

For more information on JBCPL visit our website at www.jbcpl.com. For more details, you may contact:

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Forward Looking Statements:

This Press Release may contain Forward Looking Statements regarding future events and future performance of J.B. Chemicals & Pharmaceuticals Ltd. that involve risks and uncertainties that could cause actual results to differ materially from those that may be indicated by such statements.