



IGC Reports Financial Results for the Quarter Ended September 30, 2019

BETHESDA, MD. November 4, 2019 / India Globalization Capital, Inc. (NYSE American: IGC) today announced financial results for the quarter ended September 30, 2019, which is the second quarter of its 2020 fiscal year.

Revenue for the September 2019 quarter rose 125% to approximately \$1.8 million compared to approximately \$0.81 million reported in the September 2018 quarter. In the September 2019 quarter, the plant and cannabinoid business, consisting of the sale of cannabinoid products under the brands Holi Hemp™ and Hyalolex™, in accordance with applicable law and regulations, accounted for 20% of the quarter's revenue versus zero a year ago.

The remaining 80% of the revenue was primarily derived from the Company's India-based infrastructure business which consists of (i) rental of heavy equipment, (ii) execution of construction contracts, and (iii) sale of infrastructure commodities.

SG&A expense, inclusive of R&D expenses for the September 2019 quarter was approximately \$1.31 million compared to approximately \$0.87 million for the September 2018 quarter. The majority of the increase in SG&A was due to legal and professional fees including those incurred in connection with defending shareholder lawsuits.

Net loss for the September 2019 quarter was approximately \$1.32 million or \$0.03 per share, compared to approximately \$1.19 million or \$0.03 per share for the September 2018 quarter. Increased expenses from the plant and cannabinoid business and legal expenses, as noted above, were the primary factors for the larger loss.

During the three months ended September 30, 2019, the Company took the following steps, among others:

- **Pharmaceutical Trial for Hyalolex™:** The Company continued to diligently pursue its double-blind, placebo-controlled, 100-person trial, for its proprietary patent pending formulation based on IGC-AD1 that uses ultra-low doses of THC with other natural compounds and is intended to assist in management of the care of patients suffering from Alzheimer's disease. The Company's efforts include investigating and securing a site for patient interaction. During the September 2019 quarter, the Company obtained Puerto Rico Institutional Review Board approval to conduct the trial.
- **Hyalolex™ in Puerto Rico:** The Company expanded the number of dispensaries in Puerto Rico where Hyalolex™ (the Company's flagship product) is sold and began the next phase of marketing, including patient and doctor engagement.
- **Team Expansion:** IGC opened a marketing and research hub in Bogota, Colombia. The Company's beneficially-owned subsidiary, Hamsa Biochem SAS, will focus on three goals – (1) expanding the distribution of the Company's products in Latin America, (2) securing a low cost-basis for procuring raw materials like CBD (cannabidiol) and hemp extracts, and (3) advancing the Company's research platform through medical trials and advanced natural product chemistry.

The Company also expanded its supply chain, for the sale of Holi Hemp™ branded products such as hemp crude, cannabidiol (“CBD”) distillate, tetrahydrocannabinol-free (“T-free”) oil, and other hemp derivatives.

- **New Product Launch:** IGC is in the late stage of building a patented pain relief brand and intends to begin test marketing online in calendar year 2020.
- **Hemp Crop:** The Company’s subsidiary, Holi Hemp LLC, started growing hemp on 100 acres in Arizona. The first harvest is expected in calendar year 2020.
- **Investments:** The Company continues to invest in hemp processing and growing facilities.

The Company operates both of its business lines in compliance with applicable laws and regulations.

About IGC:

IGC currently has two lines of business: (i) infrastructure and (ii) plant and cannabinoid-based products. The company is based in Bethesda, Maryland, U.S.A. Its corporate website is www.igcinc.us. Twitter @IGCIR.

Forward-looking Statements:

This press release contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934. These forward-looking statements are based largely on IGC’s expectations and are subject to a number of risks and uncertainties, certain of which are beyond IGC’s control. Actual results could differ materially from these forward-looking statements as a result of, among other factors, competitive conditions in the industries in which IGC operates, failure to commercialize one or more of the products or technologies of IGC, including any new products identified herein, failure to obtain an R&D license or any other applicable license or regulatory approval necessary for conducting our trial protocol, any changes in federal, state, or local law applicable to our businesses and the locations where we operate, weather and/or climate events which impact the Company’s ability to harvest its hemp crop, failure to reach agreement on specific terms to resolve the shareholder and shareholder derivative suits currently pending against the Company as described in the Company’s public filings, general economic and political conditions that are less favorable than expected, the Federal Food and Drug Administration’s (FDA) general position regarding hemp-based and related products in particular, and other factors, many of which are discussed in our SEC filings. The Risk Factors identified in the Company’s annual report, filed on Form 10-K with the SEC on June 14, 2019, and in the Company’s quarterly report, filed on Form 10-Q with the SEC on August 9, 2019, and on November 5, 2019, are incorporated herein by reference. In light of these risks and uncertainties, there can be no assurance that the forward-looking information contained in this release will in fact occur.

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< **Financial Tables to Follow** >

India Globalization Capital, Inc.
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except share data)
(Unaudited)

	September 30, 2019 (Unaudited) (\$)	March 31, 2019 (Audited) (\$)
ASSETS		
Current assets:		
Cash and cash equivalents	14,063	25,610
Accounts receivable, net of allowances of \$6 and \$6	244	84
Inventory	3,108	248
Short-term investment	5,039	-
Deposits & advances	1,446	781
Total current assets	23,900	26,723
Intangible assets, net	203	184
Property, plant and equipment, net	7,123	5,886
Investments in unlisted securities	794	794
Claims and advances	867	878
Total non-current assets	8,987	7,742
Total assets	32,887	34,465
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	903	319
Accrued and other liabilities	677	509
Short-term loan	50	50
Total current liabilities	1,630	878
Other liabilities	15	15
Total non-current liabilities	15	15
Total liabilities	1,645	893
Commitments and Contingencies – See Note 10		
Stockholders' equity:		
Common stock and additional paid in capital, \$0.0001 par value: 150,000,000 shares authorized; 39,571,407 and 39,501,407 shares issued and outstanding as of September 30, 2019 and March 31, 2019, respectively.	94,395	94,043
Accumulated other comprehensive loss	(2,543)	(2,419)
Accumulated deficit	(60,610)	(58,052)
Total stockholders' equity	31,242	33,572
Total liabilities and stockholders' equity	32,887	34,465

See accompanying Notes to the Condensed Consolidated Financial Statements in the Quarterly Report on Form 10-Q for the quarter ended September 30, 2019, as filed with the SEC on November 5, 2019.

India Globalization Capital, Inc.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
AND COMPREHENSIVE LOSS
(in thousands, except loss per share)
(Unaudited)

	Three months ended Sept. 30,	
	2019	2018
	(\$)	(\$)
Revenue	1,821	811
Cost of revenue	(1,793)	(793)
Gross Profit	28	18
General and administrative expenses	(1,094)	(595)
Research and development expenses	(222)	(278)
Operating loss	(1,288)	(855)
Other income/(expense), net	109	(4)
Loss before income taxes	(1,179)	(859)
Income taxes expense/benefit	-	-
Net loss attributable to common stockholders	(1,179)	(859)
Foreign currency translation adjustments	(143)	(334)
Comprehensive loss	(1,322)	(1,193)
Loss per share attributable to common stockholders:		
Basic & Diluted	\$ (0.03)	\$ (0.03)
Weighted-average number of shares used in computing loss per share amounts:	39,551	31,345

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