



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

Fiscal 2020 First Quarter Sees Multiple Steps

BETHESDA, MD, August 9, 2019 / India Globalization Capital, Inc. (NYSE American: IGC) today announced its financial results for the quarter ended June 30, 2019, which is the first quarter of its 2020 fiscal year.

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

- The Company's subsidiary, Holi Hemp LLC, was awarded a license to grow and process hemp in the State of Arizona.
- The Company established a business-to-business sales team, and a raw materials supply chain, for the sale of Holi Hemp™ branded products such as hemp crude, cannabiniol ("CBD") distillate, tetrahydrocannabinol-free ("T-free") oil, and other hemp derivatives, in compliance with applicable laws and regulations.
- The Company significantly expanded the number of dispensaries in Puerto Rico where Hyalolex™ (the Company's flagship product) is sold, to about 34 at the end of June 2019.
- The Company contracted with a medical center in Puerto Rico to run a double-blind, placebo-controlled clinical trial with IGC-AD1 on 60 Alzheimer's patients. The protocol has been submitted to the Institutional Review Board ("IRB") in Puerto Rico and approval is pending. Following approval from the IRB, the Company plans to submit an Investigational New Drug Application ("INDA") to the FDA.
- The Company's subsidiary, Techni Bharathi Private Limited ("TBL"), commenced the execution of a National Highway Authority of India ("NHAI") sponsored local highway construction contract in Kerala, India.

Revenue for the June 2019 quarter rose 11.5% to approximately \$1.65 million compared to approximately \$1.48 million reported in the June 2018 quarter. In both years, 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. With respect to the Company's plant and cannabinoid business, the revenue contribution for the June 2019 quarter was approximately \$104,000 derived from the Company's sales in hemp-based cannabidiol (CBD) under the brand Holi Hemp™ and from Hyalolex™, the Company's flagship product designed to help improve the quality of life for elderly patients suffering from Alzheimer's, available now through an expanded network of dispensaries in Puerto Rico.

SG&A expense for the June 2019 quarter was approximately \$1.25 million compared to approximately \$0.52 million for the June 2018 quarter. Approximately \$0.4 million of the increase was due to legal and professional fees including those incurred in connection with shareholder lawsuits.

Research and development (R&D) expense for the June 2019 quarter was approximately \$0.25 million compared to approximately \$36,000 for the June 2018 quarter. R&D expenses were incurred entirely by the Company's plant and cannabinoid business.

Net loss for the June 2019 quarter was approximately \$1.38 million or \$0.03 per share, compared to approximately \$0.51 million or \$0.02 per share for the June 2018 quarter. Increased expenses from the plant and cannabinoid business and legal expenses, as noted above, were the primary factors for the larger loss.

As discussed in prior SEC filings, as of June 30, 2019, several law firms have filed shareholder lawsuits, including two pending derivative suits, citing, among other things, the NYSE American delisting proceedings and subsequent fall in share price. The Company and its officers and directors have entered into a memorandum of understanding as to preliminary terms to resolve all pending derivative suits, subject to agreement on specific terms and approval by the court in which the matters are pending. The Company intends to vigorously defend all other pending actions.

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

	June 30, 2019 (Unaudited) (\$)	March 31, 2019 (Audited) (\$)
ASSETS		
Current assets:		
Cash and cash equivalents	16,554	25,610
Accounts receivable, net of allowances of \$6 and \$6	189	84
Inventory	1,970	248
Short-term investment	5,009	-
Deposits & advances	852	781
Total current assets	24,574	26,723
Intangible assets, net	187	184
Property, plant and equipment, net	7,055	5,886
Investments in unlisted securities	794	794
Claims and advances	895	878
Total long-term assets	8,931	7,742
Total assets	33,505	34,465
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	568	319
Accrued and other liabilities	452	509
Short-term loan	50	50
Total current liabilities	1,070	878
Other liabilities	15	15
Total liabilities	1,085	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; 39,511,407 and 39,501,407 shares issued and outstanding as of June 30, 2019 and March 31, 2019, respectively.	94,251	94,043
Accumulated other comprehensive loss	(2,400)	(2,419)
Accumulated deficit	(59,431)	(58,052)
Total stockholders' equity	32,420	33,572
Total liabilities and stockholders' equity	33,505	34,465

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

	Three months ended June 30,	
	2019	2018
	(\$)	(\$)
Revenue	1,649	1,478
Cost of revenue	(1,608)	(1,436)
Gross Profit	41	42
General and administrative expenses	(1,249)	(517)
Research and development expenses	(247)	(36)
Operating loss	(1,455)	(511)
Other income/(expense), net	76	(1)
Loss before income taxes	(1,379)	(512)
Income taxes expense/benefit	-	-
Net loss attributable to common stockholders	(1,379)	(512)
Foreign currency translation adjustments	19	(307)
Comprehensive loss	(1,360)	(819)
 Loss per share attributable to common stockholders:		
Basic & Diluted	\$ (0.03)	\$ (0.02)
Weighted-average number of shares used in computing loss per share amounts:	39,508	30,981

About India Globalization Capital (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 technologies of IGC, failure to obtain approval for our trial protocol from the IRB, changes in federal, state, or local law applicable to our businesses and the locations where we operate, failure to reach agreement on specific terms to resolve the shareholder derivative suits, general economic and political conditions that are less favorable than expected, the Federal Food and Drug Administration's (FDA) general position regarding hemp-based products and related products in particular, and other factors, many of which are discussed in our SEC filings. 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.

Contact

Claudia Grimaldi, PFO
(301) 983-0998