HIKAL

Ref : HL:SVW:2012

14th May, 2012

The Deputy General Manager
Bombay Stock Exchange Limited
Corporate Relationship Department
Phiroze Jeejebhoy Towers
Dalal Street, Mumbai - 400 001

The National Stock Exchange of India Ltd
Exchange Plaza
Bandra Kurla Complex
Bandra (East)
Mumbai – 400 051

COMPANY CODE No. 524735 **Symbol : HIKAL**

Dear Sirs,

Re : Intimation in terms of Clause No. 41 of Listing Agreement.

We are enclosing herewith the Audited Financial Results of our Company for the year ended 31st March, 2012, as per clause 41 of the Listing Agreement, which were taken on record by the Board of Directors at their meeting held on 14th May, 2012.

The Board has declared dividend on the Equity Share Capital @ (60%) Rs.6/- (Rupees six only) per Equity Share, nominal value of Rs. 10/- each in their meeting held on 14th May, 2012 for the financial year 2011-12.

Thanking you,

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

S.V. WAHALEKAR
Sr. Vice President Finance
& Company Secretary

Encl : As above.

HIKAL

Ref : HL:SVW:2012 May 14th , 2012.

The Deputy General Manager
Bombay Stock Exchange Limited
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COMPANY CODE No. 524735 **Symbol : HIKAL**

Dear Sir,

Sub : Intimation in terms of Listing Agreement

In the Meeting of the Board of Directors of the Company held on 14th May, 2012, the following decision/matters were considered:

(1) CLAUSE NO. 20(a):

- The Board has recommended Final Dividend on Equity Share Capital @60 % [Rs.6 /- per equity share, (nominal value of Rs. 10/- each)] in their meeting held on 14th May, 2012 for financial year 2011-12, subject to the approval of Shareholders in the ensuing Annual General Meeting.

(2) CLAUSE NO. 20 (b):

We give herebelow the financial results from the Annual Accounts for the year ended 31st March 2012, which were approved by the Board of Directors in their meeting held on 14th May, 2012.

Sr. No.	Particulars	For the year ended 31-3-2012 (Rs. in Lacs)	For the year ended 31-3-2011 (Rs. in Lacs)
i.	Total Income	69423	49351
ii.	Profit/ (Loss) before tax	6008	4568
iii.	Provision for Depreciation	4242	3819
iv.	Provision for Taxation	599	139
v.	Net Profit/ (Loss) after tax	5408	4429
vi.	Amount appropriated from Reserves/ Capital Profits/ Accumulated Profits to provide for dividend	NIL	NIL

Kindly take the aforesaid information on record.

Thanking you,

Yours faithfully,
For **HIKAL LTD.,**

S.V. WAHALEKAR
Sr. V.P . Finance &
Company Secretary

HIKAL

Audited Financial Results

for the year ended March 31, 2012

Rs. In Lacs (Except for per share data)

	Quarter ended			Year ended		Consolidated Year ended	
	Audited 31st March 2012	Unaudited 31st December 2011	Audited 31st March 2011	Audited 31st March 2012	2011	Audited 31st March 2012	2011
Sales / income from operations	22,310	19,027	15,625	70,892	51,148	72,253	52,027
Less: Excise duty	175	479	471	1,469	1,797	1,471	1,798
Net sales / income from operations	22,135	18,548	15,154	69,423	49,351	70,782	50,229
Total expenditure							
a) Cost of materials and utilities consumed	12,169	9,051	8,059	37,128	27,913	37,380	28,141
b) Purchases of stock- in- trade	-	-	50	-	380	-	380
c) Change in inventories of finished goods and work in progress	1,007	1,236	644	1,615	(1,707)	1,615	(1,707)
d) Employee benefit expenses	1,347	1,379	1,440	5,569	5,270	6,366	5,888
e) Depreciation and amortisation expenses	1,069	1,076	1,001	4,242	3,819	4,530	4,104
f) Other expenses	2,430	2,368	1,464	8,396	4,965	8,725	5,298
Total expenditure	18,022	15,110	12,658	56,950	40,640	58,616	42,104
Profit from operations before other income, interest and impact of forward contracts	4,113	3,438	2,496	12,473	8,711	12,166	8,125
Other income	150	110	76	496	296	140	31
Profit before interest and impact of forward contracts	4,263	3,548	2,572	12,969	9,007	12,306	8,156
Finance cost	1,254	1,171	1,183	4,776	4,124	5,010	4,372
Profit from ordinary activities before tax and impact of forward contracts	3,009	2,377	1,389	8,193	4,883	7,296	3,784
- Exchange loss (Refer note no.5 below)	1,029	1,111	274	2,556	1,275	2,556	1,275
- Reversal of cash flow hedge reserve (Refer note no.3 below)	-	-	(375)	(371)	(960)	(371)	(960)
Profit from ordinary activities before tax	1,980	1,266	1,490	6,008	4,568	5,111	3,469
Provision for taxation							
-Current taxes	336	305	296	1,228	904	1,227	867
-Minimum Alternative Tax credit	(336)	(305)	(296)	(1,228)	(904)	(1,228)	(904)
-Deferred tax	469	(38)	83	599	139	508	(194)
Net profit after tax	1,511	1,304	1,407	5,408	4,429	4,604	3,700
Paid-up equity share capital	1,644	1,644	1,644	1,644	1,644	1,644	1,644
Reserves excluding revaluation reserves				33,474	29,584	30,553	27,463
Earnings per share (face value Rs.10/-)							
- Basic	9.19	7.93	8.56	32.90	26.94	28.01	22.50
- Diluted	9.19	7.93	8.56	32.90	26.37	28.01	22.05
- Cash	15.69	14.48	14.65	58.70	50.17	55.56	47.47
A. PARTICULARS OF HOLDINGS							
Public shareholding							
- No of shares	5,125,963	5,125,963	5,127,690	5,125,963	5,127,690	5,125,963	5,127,690
- Percentage of shareholding	31.18%	31.18%	31.19%	31.18%	31.19%	31.18%	31.19%
Promoters and promoter group shareholding							
a) Pledged / Encumbered							
- No of shares	-	-	-	-	-	-	-
- Percentage of shares (as a % of the total shareholding of promoters and promoter group	-	-	-	-	-	-	-
- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-	-	-
b) Non-encumbered							
- No of shares	11,314,137	11,314,137	11,312,410	11,314,137	11,312,410	11,314,137	11,312,410
- Percentage of shares (as a % of the total shareholding of promoters and promoter group	100.00%	100.00%	93.14%	100.00%	93.14%	100.00%	93.14%
- Percentage of shares (as a % of the total share capital of the company)	68.82%	68.82%	68.81%	68.82%	68.81%	68.82%	68.81%

B. INVESTOR COMPLAINTS	March 31, 2012
Pending at the beginning of the quarter	Nil
Received during the quarter	1
Disposed of during the quarter	1
Remaining unresolved at the end of the quarter	Nil

1. The Board of Directors have recommended final dividend of 60% (Previous Year 60%) on equity shares.

2. The above results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting on May 14, 2012

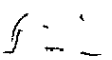
3. The Company had early adopted the principles of hedge accounting as set out in Accounting Standard 30 – Financial Instruments: Recognition and Measurement issued by the Institute of Chartered Accountants of India. With effect from April 1, 2011, the Company changed its method of accounting related to forward contracts and long term foreign currency monetary items by recognizing exchange difference in the profit and loss account in the period in which it arise in accordance with Accounting Standard 11 – The Effects of Changes in Foreign Exchange Rates. Had Company continued following principles of Accounting Standard 30, the profit before tax for the quarter ended March 31,2012 would have been higher by Rs. 1,050 lacs and for the year ended March 31,2012 profit before tax would have been higher by Rs.2,316 lacs.

4.The Honb'le High Court of Mumbai has approved the Scheme of Arrangement between Acoris Research Limited and Hikal Limited and their respective share holders and creditors on March 30, 2012. As per sanctioned scheme, Research business of Acoris Research Limited will merge into Hikal Limited w.e.f April 1, 2012

5. The Company has entered into forward/options contracts to hedge its exposure to fluctuations in foreign exchange for approx 30% of future exports. These covers have been staggered over the next three years as the major percentage of the Company's turnover is realized from exports. The Company is of the opinion that the result of these transactions represent unrealised losses that are notional in nature . The management is of the opinion that the fluctuation in currency movements against hedged contracts gets compensated by realization of a higher value of sales realizations and therefore, the actual profit/loss against such outstanding contracts crystallizes only on maturity of such forward contracts. The gain/ loss on these transactions will be recognised as and when they fall due. The mark to market valuation loss is Rs. 4,526 lacs as on March 31, 2012 (corresponding previous year as on March 31, 2011 Rs.2,953 lacs).

6.The figures for the quarter ended March 31, 2012 and corresponding quarter ended in the previous year as reported in these financial results are the balancing figures between audited figures in respect of the full financial year and published year to date figures up to the end of the third quarter of the relevant financial year. Also the figures up to the end of the third quarter had only been reviewed and not subjected to audit.

For HIKAL LTD



Place : Mumbai
Date : May 14, 2012

Jai Hiremath
Chairman &
Managing Director

HIKAL

Segment wise revenue , results and capital employed

as on March 31, 2012

Rs. In lacs

	Quarter ended			Year Ended		Consolidated Year Ended	
	Audited 31st March 2012	Unaudited 31st December 2011	Audited 31st March 2011	Audited 31st March 2012	2011	31st March 2012	2011
1. Segment Revenue							
a) Pharmaceuticals	13,529	13,044	9,627	44,769	32,007	46,128	32,885
b) Crop protection products	8,606	5,504	5,527	24,654	17,344	24,654	17,344
c) Overseas operation	-	-	-	-	-	-	-
Total	**22,135**	**18,548**	**15,154**	**69,423**	**49,351**	**70,782**	**50,229**
Less: Inter segment revenue	-		-	-	-	-	-
Net sales/income from operation	22,135	18,548	15,154	69,423	49,351	**70,782**	50,229
2. Segment Results							
Profit before interest and tax							
a) Pharmaceuticals	3,755	3,639	2,295	12,405	9,031	12,133	8,473
b) Crop protection products	1,186	490	623	2,734	1,517	2,734	1,518
c) Overseas operation	-	-	-	-	-	(15)	(19)
Total	**4,941**	**4,129**	**2,918**	**15,139**	**10,548**	14,852	**9,972**
Less :							
i) Interest	1,254	1,171	1,183	4,776	4,124	5,010	4,372
ii) Other un-allocable expenditure net off un-allocable income	1,707	1,692	245	4,355	1,856	4,731	2,131
Profit before tax	**1,980**	**1,266**	**1,490**	**6,008**	**4,568**	**5,111**	**3,469**
3. Capital employed							
a) Pharmaceuticals	52,771	52,523	49,394	52,771	49,394	51,779	48,835
b) Crop protection products	27,734	27,344	28,610	27,734	28,610	27,734	29,322
c) Overseas operation	-	-	-	-	-	(52)	(35)
c) Unallocated capital	(34,522)	(34,230)	(35,835)	(34,522)	(35,835)	(36,400)	(38,074)
Total	**45,983**	**45,637**	**42,169**	**45,983**	**42,169**	**43,061**	**40,048**

For HIKAL LTD

Jai Hiremath
Chairman &
Managing Director

Place : Mumbai
Date : May 14, 2012

Statement of assets and liabilities

as on March 31, 2012

Rs. In lacs

		Consolidated			
		Year Ended Audited 31st March		Year Ended Audited 31st March	
		2012	2011	2012	2011
A	**EQUITY AND LIABILITIES**				
1	**Shareholders' funds**				
	(a) Share Capital	1,644	1,644	1,644	1,644
	(b) Reserves and surplus	44,338	40,524	41,417	38,405
	Sub-total -Shareholders' funds	**45,982**	**42,168**	**43,061**	**40,049**
2	**Non-current liabilities**				
	(a) Long-term borrowings	22,688	23,259	24,568	25,729
	(b) Deferred tax liabilities (Net)	867	268	80	-
	(c) Long-term provisions	642	628	702	671
	Sub-total -Non-current liabilities	**24,197**	**24,155**	**25,350**	**26,400**
3	**Current liabilities**				
	(a) Short-term borrowings	20,547	19,134	20,547	19,134
	(b) Trade payables	11,393	8,199	11,447	8,312
	(c) Other current liabilities	10,625	10,478	11,457	11,265
	(d) Short-term provisions	1,295	1,313	1,311	1,324
	Sub-total --Current liabilities	**43,860**	**39,124**	**44,762**	**40,035**
	TOTAL EQUITY AND LIABILITIES	**114,039**	**105,447**	**113,173**	**106,484**
B	**ASSETS**				
1	**Non-current assets**				
	(a) Fixed assets	65,315	62,674	71,487	68,650
	(b) Non-current investments	1,817	1,817	312	312
	(c) Deferred tax assets (Net)	-	-	-	428
	(d) Long-term loans and advances	12,360	10,122	5,548	4,654
	Sub-total-Non-current assets	**79,492**	**74,613**	**77,347**	**74,044**
2	**Current assets**				
	(a) Inventories	19,185	17,151	19,277	17,228
	(b) Trade receivables	9,873	8,522	10,197	8,803
	(c) Cash and cash equivalents	592	880	688	1,009
	(d) Short term loans and advances	4,865	4,258	5,622	5,364
	(e) Other current assets	32	23	42	36
	Sub-total current assets	**34,547**	**30,834**	**35,826**	**32,440**
	TOTAL-ASSETS	**114,039**	**105,447**	**113,173**	**106,484**

For HIKAL LTD

Jai Hiremath
Chairman &
Managing Director

Place : Mumbai
Date : May 14, 2012

B S R & Company
Chartered Accountants

Lodha Excelus
1st Floor, Apollo Mills Compound
N. M. Joshi Marg
Mahalakshmi
Mumbai - 400 011
India

Telephone +91(22) 3989 6000
Fax +91(22) 3983 6000

Auditor's Report on the financial results of Hikal Limited pursuant to Clause 41 of Listing Agreement

To the Board of Directors of
Hikal Limited

We have audited the accompanying annual financial results of Hikal Limited ('the Company') for the year ended 31 March 2012, attached herewith, being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreement except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. Attention is drawn to the fact that the figures for the quarter ended 31 March 2012 and the corresponding quarter ended in the previous year as reported in these financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the end of the third quarter of the relevant financial year. Also the figures up to the end of the third quarter had only been reviewed and not subjected to audit.

These financial results have been prepared on the basis of the annual financial statements and reviewed quarterly financial results up to the end of the third quarter which are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial results based on our audit of the annual financial results which have been prepared in accordance with the recognition and measurement principles laid down in the Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956 and other accounting principles generally accepted in India and in compliance with Clause 41 of the Listing Agreement.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

As more fully explained in note no. 5 to the Company's annual financial results, the Company has not provided for a "mark-to-market" loss on derivative contracts/receivable aggregating to Rs 4,526 lakhs as at 31 March 2012 (31 March 2011: 2,953 lakhs) for the reasons stated by the management in the said note. Consequently, without considering tax effect, the profit before tax for the year and reserves and surplus are overstated by Rs 4,526 lakhs (31 March 2011: Rs 2,953 lakhs), short term loans and advances are overstated by Rs 701 lakhs (31 March 2011: Rs 801 lakhs) and other current liabilities are understated by Rs 3,825 lakhs (31 March 2011: Rs 2,152 lakhs).

Y

Auditor's Report on the financial results of Hikal Limited pursuant to Clause 41 of Listing Agreement *(Continued)*

Hikal Limited

In our opinion and to the best of our information and according to the explanations given to us, *subject to our comments in paragraph above*, these financial results:

(i) are presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and

(ii) give a true and fair view of the net profit and other financial information for the year ended 31 March 2012

Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the Company in terms of clause 35 of the Listing Agreement and found the same to be correct.

For **B S R & Company**
Chartered Accountants
Firm's Registration No: 128032W

Vijay Bhatt
Partner
Membership No: 036647

Mumbai
14 May 2012