



Unaudited Financial Results
for the quarter ended December 31, 2011

Rs. In Lacs (Except for per share data)

	Quarter Ended		31st December 2010	Nine Months Ended		Year Ended 31st March Audited 2011
	31st December 2011	30th September 2011		31st December 2011		
	2011	2011	2010	2011	2010	2011
Sales / income from operations	19,027	14,868	10,591	48,582	35,524	51,148
Less: Excise duty	479	408	512	1,294	1,326	1,797
Net sales / income from operations	18,548	14,460	10,079	47,288	34,198	49,351
Total expenditure						
a) Decrease /(Increase) in stock in trade and work in progress	1,236	(985)	(1,015)	608	(2,351)	(1,707)
b) Consumption of raw materials and utilities	9,051	8,141	5,810	24,959	20,184	28,293
c) Employees cost	1,379	1,451	1,279	4,221	3,830	5,270
d) Depreciation	1,076	1,070	942	3,173	2,818	3,819
e) Other expenditure	2,368	2,145	1,429	5,967	3,501	4,965
f) Total expenditure	15,110	11,822	8,445	38,928	27,982	40,640
Profit from operations before other income, interest and impact of forward contracts	3,438	2,638	1,634	8,360	6,216	8,711
Other Income	110	98	78	346	220	296
Profit Before Interest and impact of forward contracts	3,548	2,736	1,712	8,706	6,436	9,007
Interest and finance charges	1,171	1,224	1,163	3,522	2,940	4,124
Profit from ordinary activities before tax and impact of forward contracts	2,377	1,512	549	5,184	3,496	4,883
- Exchange loss (Refer note no.4 below)	1,111	217	256	1,527	1,001	1,275
- Reversal of cash flow hedge reserve (Refer note no.2 below)	-	-	(220)	(371)	(585)	(960)
Profit after impact of forward contracts but before tax	1,266	1,295	513	4,028	3,080	4,568
Provision for taxation						
-Current taxes	305	294	119	892	608	904
-Minimum Alternative Tax credit	(305)	(294)	(119)	(892)	(608)	(904)
-Deferred tax	(38)	151	(4)	130	56	139
Net Profit after tax	1,304	1,144	517	3,898	3,024	4,429
Paid-up equity share capital	1,644	1,644	1,644	1,644	1,644	1,644
Reserves excluding revaluation reserves						29,584
Earnings per share (face value Rs. 10/-)						
- Basic	7.93	6.96	3.14	23.71	18.39	26.94
- Diluted	7.93	6.96	3.12	23.71	17.89	26.37
- Cash	14.48	13.47	8.87	43.01	35.54	50.17
Public shareholding						
- No of shares	5,125,963	5,125,963	5,128,240	5,125,963	5,128,240	5,127,690
- Percentage of shareholding	31.18%	31.18%	31.19%	31.18%	31.19%	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	10,536,110	11,314,137	10,536,110	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%	93.14%
- Percentage of shares (as a % of the total share capital of the company)	68.82%	68.82%	64.09%	68.82%	64.09%	68.81%

1. The above results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting on February 9, 2012
2. 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 December 31,2011 would have been higher by Rs. 1.284 lacs and for the nine months ended December 31,2011 profit before tax would have been higher by Rs 1,262 lacs.
3. The results for the quarter and nine months ended December 31, 2011 have been subjected to a "Limited Review" by the Statutory Auditors of the Company. The limited review report has been modified with respect to note no.4 below. The limited review report will be filed with the stock exchanges and will be available on the Company's web site - www.hikal.com
4. 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 transaction will be recognised as and when they fall due. The mark to market valuation loss is Rs. 7,534 lacs as on December 31, 2011 (corresponding previous period as on December 31, 2010 Rs.3,409 lacs). Further, due to extant volatility in foreign currency rates the exchange difference of Rs. 1,354 lacs as on December 31,2011 on outstanding short term working capital loans, will be accounted at the rate prevailing on the date of payment .
5. There were no investors complaints at the beginning of the quarter. During the quarter one complaint was received and same was resolved during the quarter, therefore no complaints were pending as on December 31, 2011.

Place : Mumbai
Date : February 9, 2012

For HIKAL LTD

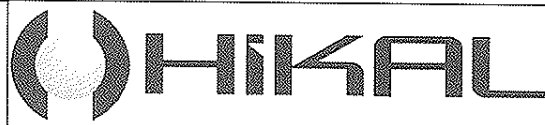


Jai Hiremath
Vice Chairman &
Managing Director

HIKAL LTD

Regd. Office : 717/718, Maker Chamber V, Nariman Point, Mumbai - 400 021.

Just the right chemistry



Segment wise revenue , results and capital employed
as on December 31, 2011

	Rs. In lacs					
	Quarter ended		31st December 2010	Nine months ended		Year Ended 31st March Audited 2011
	31st December 2011	30th September 2011		31st December 2011	31st December 2010	
1. Segment Revenue						
a) Pharmaceuticals	13,044	8,699	6,799	31,240	22,381	32,007
b) Crop protection products	5,504	5,761	3,280	16,048	11,817	17,344
Total	18,548	14,460	10,079	47,288	34,198	49,351
Less: Inter segment revenue	-	-	-	-	-	-
Net sales/income from operation	18,548	14,460	10,079	47,288	34,198	49,351
2. Segment Results						
Profit before interest and tax						
a) Pharmaceuticals	3,639	2,428	2,105	8,650	6,736	9,031
b) Crop protection products	490	684	136	1,548	894	1,517
Total	4,129	3,112	2,241	10,198	7,630	10,548
Less :						
i) Interest	1,171	1,224	1,163	3,522	2,940	4,124
ii) Other un-allocable expenditure net off un-allocable income	1,692	593	565	2,648	1,610	1,856
Profit before tax	1,266	1,295	513	4,028	3,080	4,568
3. Capital employed						
a) Pharmaceuticals	52,523	52,776	48,925	52,523	48,925	49,394
b) Crop protection products	27,344	28,151	29,217	27,344	29,217	28,610
c) Unallocated capital	(34,230)	(36,574)	(36,101)	(34,230)	(36,101)	(35,835)
Total	45,637	44,353	42,041	45,637	42,041	42,169

For HIKAL LTD

Jai Hiremath
Vice Chairman &
Managing Director

Place : Mumbai
Date : February 9, 2012

HIKAL LTD

Regd. Office : 717/718, Maker Chamber V, Nariman Point, Mumbai - 400 021.

Just the right chemistry

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

Review report

To the Board of Directors of Hikal Limited

- 1 We have reviewed the accompanying statement of un-audited financial results ('the Statement') of Hikal Limited ('the Company') for the quarter ended 31 December 2011 and the year to date results for the period 1 April 2011 to 31 December 2011, 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. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.
- 2 We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
- 3 *As more fully explained in note no. 4 to the Company's statement of un-audited financial results, the Company has not provided for a "mark-to-market" loss on derivative contracts/receivables aggregating to Rs 7,534 lakhs as at 31 December 2011 (31 December 2010: Rs 3,409 lakhs) and for the exchange difference on working capital loans aggregating to Rs 1,354 lakhs as at 31 December 2011 (31 December 2010: Rs Nil) for the reasons stated by the management in the said note. Consequently, without considering the tax effect, the profit before tax for the quarter and reserves and surplus are overstated by Rs 8,888 lakhs (31 December 2010: Rs 3,409 lakhs).*
- 4 Based on our review conducted as above, *subject to our comments in paragraph 3 above*, nothing has come to our attention that causes us to believe that the accompanying statement of un-audited financial results prepared in accordance with the accounting standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

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


Vijay Bhatt

Partner

Membership No: 036647

Mumbai
9 February 2012