

FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2012

CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2012 (Rs. in Lakhs)

Sl. No.	Particulars	3 months ended	Preceding 3 months ended	Corresponding 3 months ended	Year ended	Year ended
		31.03.2012	31.12.2011	31.03.2011	31.03.2012	31.03.2011
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
1	Income from operations					
	a) Net Sales/ Income from Operations (Net of excise duty)	58,922	51,659	46,645	204,903	178,993
	b) Other Operating Income	2,098	340	439	3,749	1,619
	Total income from operations (net)	61,020	51,999	47,085	208,651	180,612
2	Expenses					
	a) Cost of materials consumed	23,545	20,798	18,444	81,900	71,222
	b) Purchases of stock in trade	1,787	1,722	851	7,699	3,815
	c) Changes in inventories of finished goods, work-in-progress and stock in trade	(1,368)	(1,672)	362	(4,459)	(2,459)
	d) Employee benefits expense	8,134	7,905	6,335	30,761	23,884
	e) Depreciation and amortisation expenses	4,308	4,339	3,816	17,442	15,163
	f) Other expenditure	13,459	10,617	8,009	41,014	31,983
	Total Expenses	49,864	43,709	37,817	174,358	143,608
3	Profit from operations before other income and finance costs (1-2)	11,156	8,290	9,267	34,293	37,004
4	Other Income	129	1,570	1,685	6,181	5,156
5	Profit from ordinary activities before finance costs (3+4)	11,285	9,860	10,952	40,474	42,160
6	Finance Costs	300	246	497	1,223	2,308
7	Profit from ordinary activities before tax (5-6)	10,985	9,614	10,456	39,251	39,852
8	Tax Expense	1,205	1,129	1,033	5,408	5,860
9	Net Profit for the period (7-8)	9,780	8,485	9,423	33,843	33,992
10	Net Profit pertaining to discontinued operations	-	-	658	-	2,760
11	Net Profit/ (Loss) for the period (9+10)	9,780	8,485	10,081	33,843	36,752
12	Share of profit/(loss) of associates	-	-	-	-	-
13	Minority interest	-	-	-	-	-
14	Net Profit after taxes, minority interest and share of profit/(loss) of associates (11-13)	9,780	8,485	10,081	33,843	36,752
15	Paid-up equity share capital (Face Value of Rs.5 each)	10,000	10,000	10,000	10,000	10,000
16	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	217,165	193,191
17	Earnings per share (of Rs 5/- each) :					
	(a) Basic	3.00	4.33	4.82	17.27	17.38
	(b) Diluted	4.94	4.29	4.77	17.11	17.22

STATEMENT OF STANDALONE UNAUDITED RESULTS FOR THE QUARTER AND AUDITED RESULTS FOR THE YEAR ENDED MARCH 31, 2012 (Rs. in Lakhs)

Sl. No.	Particulars	3 months ended	Preceding 3 months ended	Corresponding 3 months ended	Year ended	Year ended
		31.03.2012	31.12.2011	31.03.2011	31.03.2012	31.03.2011
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
1	Income from operations					
	a) Net Sales/ Income from Operations (Net of excise duty)	42,120	37,250	36,871	150,480	152,125
	b) Other Operating Income	1,140	1,342	944	5,105	3,990
	Total income from operations (net)	43,260	38,592	37,815	155,585	156,115
2	Expenses					
	a) Cost of materials consumed	19,687	17,850	15,773	69,712	61,275
	b) Purchases of stock in trade	2,217	1,905	1,034	8,570	5,026
	c) Changes in inventories of finished goods, work-in-progress and stock in trade	(1,057)	(1,655)	306	(4,142)	(2,784)
	d) Employee benefits expense	5,124	4,952	4,069	19,160	14,554
	e) Depreciation and amortisation expenses	2,421	2,316	2,436	9,400	9,017
	f) Other expenses	8,558	7,567	6,197	28,930	22,488
	Total Expenses	36,950	32,935	29,815	131,630	110,026
3	Profit from operations before other income and finance costs (1-2)	6,310	5,657	8,000	23,955	46,089
4	Other Income	1,050	1,972	1,847	6,655	5,724
5	Profit from ordinary activities before finance costs (3+4)	7,360	7,629	9,847	30,610	51,813
6	Finance Costs	79	32	35	170	101
7	Profit from ordinary activities before tax (5-6)	7,281	7,597	9,812	30,440	51,712
8	Tax Expense	1,047	1,124	1,009	4,890	5,787
9	Net Profit for the period (7-8)	6,234	6,473	8,803	25,550	45,925
10	Paid-up equity share capital (Face Value of Rs.5 each)	10,000	10,000	10,000	10,000	10,000
11	Reserve excluding Revaluation Reserves as per balance sheet	-	-	-	199,557	184,586
12	Earnings per share (of Rs 5/- each) (not annualised)					
	(a) Basic	3.18	3.31	4.50	13.04	23.49
	(b) Diluted	3.15	3.28	4.46	12.92	23.27

Select information for the quarter ended March 31, 2012					
PARTICULARS OF SHAREHOLDING PATTERN					
1	Public Shareholding				
	- Number of Shares	78,175,854	78,175,854	78,165,024	78,175,854
	- Percentage of shareholding	39.09%	39.09%	39.08%	39.09%
2	Promoters and Promoter Group Shareholding				
	a) Pledged/encumbered				
	- Number of shares	-	-	-	-
	- Percentage of shares (as a % of the total shareholding of the promoter and promoter group)	-	-	-	-
	- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-
	b) Non-encumbered				
	- Number of Shares	121,824,146	121,824,146	121,834,976	121,824,146
	- Percentage of shares (as a % of the total shareholding of the promoter & promoter group)	100%	100%	100%	100%
	- Percentage of shares (as a % of the total share capital of the company)	60.91%	60.91%	60.92%	60.92%

SEGMENT DETAILS OF AUDITED CONSOLIDATED RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2012 (Rs. in Lakhs)

Particulars	3 months ended	Preceding 3 months ended	Corresponding 3 months ended	Year ended	Year ended	
	31.03.2012	31.12.2011	31.03.2011	31.03.2012	31.03.2011	
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Segment revenue						
a. Pharma	49,678	41,295	38,595	169,544	150,717	
b. Contract Research & Manufacturing Services	12,933	12,034	9,564	44,572	35,083	
Total	62,611	53,329	48,159	214,116	185,800	
Less: Inter-segment revenue	1,592	1,336	1,074	5,466	5,188	
Net sales / Income from operations	61,019	51,993	47,085	208,650	180,612	
Segment results						
Profit before interest, depreciation and tax from each segment						
a. Pharma	15,954	16,085	15,956	63,463	63,137	
b. Contract Research & Manufacturing Services	4,025	3,285	2,884	12,246	7,498	
Total	19,979	19,370	18,840	75,709	70,635	
Less: Interest	297	246	497	1,220	2,297	
Depreciation and amortisation	4,307	4,339	3,816	17,442	15,163	
Unallocated corporate expenses	4,519	6,740	5,766	23,977	18,479	
Unallocated corporate income	(129)	(1,570)	(1,685)	(6,181)	(5,156)	
Profit before tax from continuing operations	10,985	9,615	10,456	39,251	39,852	
Capital employed						
a. Pharma	95,484	101,354	92,257	95,484	92,257	
b. Contract Research & Manufacturing Services	30,620	28,846	22,876	30,620	22,876	
c. Unallocable	101,147	99,464	72,050	101,147	72,050	
d. Discontinued operations (refer note 2 below)	-	-	16,096	-	16,096	
Total capital employed	227,251	229,664	203,279	227,251	203,279	

Consolidated Statement of Assets and Liabilities <small>(Rs. in Lakhs)</small>			Standalone Statement of Assets and Liabilities <small>(Rs. in Lakhs)</small>		
Particulars	As at March 31, 2012 (Audited)	As at March 31, 2011 (Audited)	Particulars	As at March 31, 2012 (Audited)	As at March 31, 2011 (Audited)
A EQUITY AND LIABILITIES			A EQUITY AND LIABILITIES		
1 Shareholder's Funds			1 Shareholder's Funds		
(a) Share capital	10,000	10,000	(a) Share capital	10,000	10,000
(b) Reserves and surplus	217,251	193,277	(b) Reserves and surplus	199,647	184,684
	227,251	203,277		209,647	194,684
2 Minority interest	377	3,773	2 Non-current liabilities		
(a) Long-term borrowings	6,995	6,581	(a) Long-term borrowings	6,052	6,581
(b) Deferred Tax Liability (Net)	-	4,970	(b) Deferred Tax Liability (Net)	3,490	3,955
(c) Other long-term liabilities	58,320	33,895	(c) Other long-term liabilities	6,490	6,950
	65,314	45,446		16,032	17,486
Current liabilities			3 Current liabilities		
(a) Short-term borrowings	18,727	24,747	(a) Short-term borrowings	8,680	9,633
(b) Trade payables	34,777	29,654	(b) Trade payables	25,110	19,970
(c) Other current liabilities	26,887	37,547	(c) Other current liabilities	7,691	5,698
(d) Short-term provisions	21,148	14,101	(d) Short-term provisions	14,872	12,870
	101,539	106,050		56,353	48,171
TOTAL - EQUITY AND LIABILITIES	394,481	358,546	TOTAL - EQUITY AND LIABILITIES	282,032	260,341
B ASSETS			B ASSETS		
1 Non-current assets			1 Non-current assets		
(a) Fixed Assets	165,946	158,696	(a) Fixed Assets	76,752	78,240
(b) Non-current investments	6,434	6,092	(b) Non-current investments	16,640	9,189
(c) Deferred tax Asset (net)	777	-	(c) Long term loans and advances	20,420	18,202
(d) Long term loans and Advances	3,257	358	(d) Other non-current assets	33,009	23,410
(e) Other non-current assets	21,287	12,702		146,821	129,042
	197,701	177,848	2 Current assets		
2 Current assets			(a) Current Investments	49,060	39,393
(a) Current Investments	49,212	39,950	(b) Inventories	34,040	27,472
(b) Inventories	37,833	41,358	(c) Trade Receivables	44,500	41,810
(c) Trade Receivables	48,154	48,524	(d) Cash and cash equivalents	4,000	21,020
(d) Cash and cash equivalents	52,324	44,139	(e) Other current assets	3,611	1,604
(e) Short term loans and advances	955	462		135,211	131,299
(f) Other current assets	8,304	6,265		282,032	260,341
	196,781	180,698			
TOTAL - ASSETS	394,481	358,546			

Notes: (Rs. In Lakhs)
1. The financial results of the Company and the consolidated financial results for the year ended March 31, 2012 have been audited by the statutory auditors of the Company. The above results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meeting concluded on April 27, 2012.

2. The Directors have recommended a final dividend of 100% (Rs 5.00 per share) on the share capital of the Company, subject to the approval of the members at the ensuing Annual General Meeting.

3. In October 2010, Biocon and Pfizer entered into a global commercialization and supply agreement for Biocon's biosimilar insulin portfolio. Pursuant to this agreement, Biocon was responsible for the development of the products, clinical trials and such other activities to secure regulatory approvals for Pfizer to commercialize the products in various geographies. Pfizer had the exclusive rights to commercialize Biocon's biosimilar insulin portfolio.

Under this agreement, Biocon received upfront payment and few milestone payments to carry out the significant obligations it had relating to development, clinical trials and regulatory activities. Consequently, the amounts received under this agreement were being recognized in the statement of profit and loss, under percentage completion method.

In March 2012, Pfizer and Biocon terminated the aforesaid commercialization and supply agreement due to their individual priorities for their respective biosimilar business. Pursuant to the Termination and Transition Agreement, all the rights reverted back to Biocon and Pfizer had no further obligations. However, Biocon is committed to the biosimilar Insulins program and is continuing the development / clinical trial activities on a global scale.

Biocon has evaluated the prevalent regulatory framework, industry practices and ethics/governance requirements relating to clinical trials and the regulatory submissions already initiated / filed based on the initial commercialization and supply agreement, Biocon determined that it has continuing obligations to complete these clinical development and regulatory activities. Accordingly, Biocon will recognize the balance amount of Rs. 4,838 million (net of amounts already incurred towards costs of fulfilling contractual obligations) received from Pfizer in the consolidated statement of profit and loss in line with costs to be incurred towards clinical trials and development activities.

The Statutory Auditors of the Company have drawn an Emphasis of Matter in this regard, in their Auditor's report on the consolidated financial statements.

4. On April 28, 2011, Biocon SA, a subsidiary of the Company, entered into a definitive agreement with certain third parties to transfer its entire shareholding in the equity capital of its subsidiary, AxiCorp GmbH, Germany ("AxiCorp"), which was consummated during the quarter ended June 30,

2011. As per the revised Schedule VI disclosure requirement, the financial results of AxiCorp have been disclosed separately as "Net Profit pertaining to discontinued operations". The Company followed a consistent practice of consolidating the financial results of AxiCorp with a gap of 3 months and adjusting for significant subsequent transactions / other events, if any in accordance with Accounting Standard 21. The following table gives the financial information / effect pertaining to the discontinued operations.

	(Rs. In Lakhs)		
	Quarter ended 31.03.2011 (unaudited)	Year ended 31.03.2012 (unaudited)	Year ended 31.03.2011 (audited)
Net sales/income from operations	23,251	24,460	97,054
Profit after tax (Net of Minority Interest)	658	324	2,760
Less: Loss of sale of Investment in Subsidiary	-	324	-
Net Profit attributable to Discontinued operations	658	-	2,760