

**STERLING BIOTECH LIMITED**

Regd. Office: 43, Atlanta Building, Nariman Point, Mumbai - 400 021

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2012

**PART I**

(Rs. in Lacs)

Sr. No.	Particulars	Three Months ended			Twelve Months ended	
		31/12/2012	30/09/2012	31/12/2011	31/12/2012	31/12/2011
		(Refer Note No. 4)	Unaudited	(Refer Note No. 4)	Audited	Audited
1	<b>Income from Operations</b>					
	a) Net Sales/Income from Operations	20,354.83	19,802.42	32,657.78	83,477.42	166,195.39
	b) Other Operating Income	56.75	203.21	184.34	702.31	930.78
	<b>c) Total Income from Operations</b>	<b>20,411.58</b>	<b>20,005.63</b>	<b>32,842.12</b>	<b>84,179.73</b>	<b>167,126.17</b>
2	<b>Expenses</b>					
	a) Cost of materials consumed	19,210.08	12,086.87	29,570.69	61,445.02	102,799.60
	b) Purchase of stock-in-trade	0.00	0.00	0.00	0.00	0.00
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(5,081.70)	412.42	(10,993.18)	(3,350.82)	(14,836.69)
	d) Employee benefits expense	1,327.83	1,339.62	1,332.87	5,368.03	5,056.56
	e) Depreciation and amortization expense	6,785.71	6,535.65	6,291.24	26,004.96	25,709.95
	f) Other Expenses	1,348.47	1,352.21	2,463.52	5,255.12	9,435.24
	<b>g) Total Expenses</b>	<b>23,590.39</b>	<b>21,726.77</b>	<b>28,665.14</b>	<b>94,722.31</b>	<b>128,164.66</b>
3	<b>Profit / (Loss) from Operations before Other Income and finance Costs (1-2)</b>	<b>(3,178.81)</b>	<b>(1,721.14)</b>	<b>4,176.98</b>	<b>(10,542.58)</b>	<b>38,961.51</b>
4	Other Income	0.00	0.00	0.00	0.00	0.00
5	<b>Profit / (Loss) from Ordinary activities before finance costs (3+4)</b>	<b>(3,178.81)</b>	<b>(1,721.14)</b>	<b>4,176.98</b>	<b>(10,542.58)</b>	<b>38,961.51</b>
6	Finance Costs	10,299.88	9,629.04	7,267.12	41,232.82	27,043.08
7	<b>Profit / (Loss) from Ordinary Activities after finance costs but before tax (5-6)</b>	<b>(13,478.69)</b>	<b>(11,350.18)</b>	<b>(3,090.14)</b>	<b>(51,775.40)</b>	<b>11,918.43</b>
8	Tax expense					
	a) Current	0.00	0.00	(2,245.83)	0.00	570.02
	b) Deferred	(4,373.00)	(3,683.00)	(1,616.29)	(16,798.00)	300.01
	c) Total	(4,373.00)	(3,683.00)	(3,862.12)	(16,798.00)	870.03
9	<b>Net Profit / (Loss) from Ordinary Activities after tax (7-8)</b>	<b>(9,105.69)</b>	<b>(7,667.18)</b>	<b>771.98</b>	<b>(34,977.40)</b>	<b>11,048.40</b>
10	Extraordinary Items	0.00	0.00	(8,195.16)	0.00	(9,135.22)
11	<b>Net Profit / (Loss) for the period (9+10)</b>	<b>(9,105.69)</b>	<b>(7,667.18)</b>	<b>(7,423.18)</b>	<b>(34,977.40)</b>	<b>1,913.18</b>
12	Prior year adjustment	0.00	0.00	81.69	0.00	81.69
13	<b>Profit available for appropriation</b>	<b>(9,105.69)</b>	<b>(7,667.18)</b>	<b>(7,341.49)</b>	<b>(34,977.40)</b>	<b>1,994.87</b>
14	Paid-up equity share capital (Face Value of Re.1/- per share)	2,678.74	2,678.74	2,678.74	2,678.74	2,678.74
15	Reserves excluding Revaluation Reserves as per balance sheet				184,399.00	246,410.14
16.i	Earnings Per Share (EPS) (before extraordinary items) (F.V. of Re.1/- each) (not annualised)					
	a) Basic	(3.40)	(2.86)	0.29	(13.06)	4.12
	b) Diluted	(3.01)	(2.53)	0.26	(11.56)	3.65
16.ii	Earnings Per Share (EPS) (after extraordinary items) (F.V. of Re.1/- each) (not annualised)					
	a) Basic	(3.40)	(2.86)	(2.77)	(13.06)	0.71
	b) Diluted	(3.01)	(2.53)	(2.45)	(11.56)	0.63

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Select Information for the Year ended 31 December 2012

**PART II**

Sr. No.	Particulars	Three Months ended			Twelve Months ended	
		31/12/2012	30/09/2012	31/12/2011	31/12/2012	31/12/2011
<b>A</b>	<b>PARTICULARS OF SHAREHOLDING</b>					
<b>1</b>	Public Shareholding					
	- Number of shares	131,861,090	131,861,090	131,861,090	131,861,090	131,861,090
	- Percentage of shareholding	49.23%	49.23%	49.23%	49.23%	49.23%
<b>2</b>	Promoters and Promoter Group Shareholding					
	a) Pledged/Encumbered					
	Number of shares	50,816,835	50,816,835	50,816,835	50,816,835	50,816,835
	Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	55.94%	55.94%	55.94%	55.94%	55.94%
	Percentage of shares (as a % of the total share capital of the Company)	18.97%	18.97%	18.97%	18.97%	18.97%
	b) Non-encumbered					
	Number of shares	40,023,300	40,023,300	40,023,300	40,023,300	40,023,300
	Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	44.06%	44.06%	44.06%	44.06%	44.06%
	Percentage of shares (as a % of the total share capital of the Company)	14.94%	14.94%	14.94%	14.94%	14.94%

Sr. No.	Particulars	Quarter ended 31/12/2012
<b>B</b>	<b>INVESTOR COMPLAINTS</b>	
	Pending at the beginning of the Quarter	0
	Received during the quarter	5
	Disposed of during the quarter	5
	Remaining unresolved at the end of the quarter	0

**STANDALONE STATEMENT OF ASSETS AND LIABILITIES**

(Rs. In Lacs)

Sr. No.	Particulars	STANDALONE Twelve Months Ended	
		31/12/2012	31/12/2011
<b>A</b>	<b>EQUITY AND LIABILITIES</b>		
<b>1</b>	<b>SHAREHOLDERS' FUND</b>		
	a) Share Capital	2,678.74	2,678.74
	b) Reserves and Surplus	184,399.00	246,410.14
	c) Money received against share warrants	0.00	0.00
	<b>Sub - total Shareholders' Funds</b>	<b>187,077.74</b>	<b>249,088.88</b>
<b>2</b>	<b>Share Application money pending allotment</b>	<b>0.00</b>	<b>0.00</b>
<b>3</b>	<b>Non-current liabilities</b>		
	a) Long-term borrowings	113,734.94	150,647.35
	b) Deferred tax liabilities (net)	14,684.01	31,482.01
	c) Other long-term liabilities	0.00	0.00
	d) Long-term provisions	0.00	0.00
	<b>Sub-total - Non-current liabilities</b>	<b>128,418.96</b>	<b>182,129.36</b>
<b>4</b>	<b>Current liabilities</b>		
	a) Short-term borrowings	147,178.97	122,602.70
	b) Trade payables	2,649.89	4,387.89
	c) Other current liabilities	242,259.09	154,440.40
	d) Short-term provisions	783.18	797.65
	<b>Sub-total - Current liabilities</b>	<b>392,871.14</b>	<b>282,228.64</b>
	<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>708,367.83</b>	<b>713,446.88</b>
<b>B</b>	<b>ASSETS</b>		
<b>1</b>	<b>Non-current assets</b>		
	a) Fixed assets	518,494.32	458,760.50
	b) Goodwill on consolidation	0.00	0.00
	c) Non-current investments	37,651.07	36,500.33
	d) Deferred tax assets (net)	0.00	0.00
	e) Long-term loans and advances	0.00	0.00
	f) Other non-current assets	0.00	0.00
	<b>Sub-total - Non-current assets</b>	<b>556,145.38</b>	<b>495,260.83</b>
<b>2</b>	<b>Current assets</b>		
	a) Current investments	0.00	0.00
	b) Inventories	86,993.74	100,879.12
	c) Trade receivables	34,709.60	72,301.17
	d) Cash and cash equivalents	1,783.31	2,198.72
	e) Short-term loans and advances	28,735.80	42,685.17
	f) Other current assets	0.00	121.87
	<b>Sub-total - Current assets</b>	<b>152,222.44</b>	<b>218,186.05</b>
	<b>TOTAL - ASSETS</b>	<b>708,367.83</b>	<b>713,446.88</b>

**STERLING BIOTECH LIMITED**

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**AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2012**

**Notes:**

- 1 The company's operations fall under single segment hence segment reporting as defined in Accounting Standard 17 is not applicable.
- 2 The above Financial results have been reviewed by the Audit Committee and approved by the Board of Directors in its meeting held on 1st March, 2013 and have been Audited by the Statutory Auditors of the Company.
- 3 The Company has Overseas Subsidiary and there are no business operations in the subsidiary company.
- 4 The Figures of the last Quarter ended on 31 December 2012 are the Balancing figures between the audited figures in respect of the full financial year ended on 31 December 2012 and published year to date figures upto the third quarter ended on 30 September 2012 of the Current year and figures for corresponding Quarter ended on 31 December 2011 are the Balancing figures between the audited figures in respect of the full financial year ended on 31 December 2011 and published year to date figures upto the third quarter ended on 30 September 2011.
- 5 The Board has not recommended any dividend on equity shares for the financial year ended 31st December, 2012.
- 6 Previous period figures have been regrouped/reclassified, wherever necessary.

**For and on Behalf of  
STERLING BIOTECH LIMITED**

Place : Mumbai  
Date : 1 March 2013.

**Chetan J. Sandesara  
Joint Managing Director**

## **INDEPENDENT AUDITORS' REPORT**

TO THE BOARD OF DIRECTORS OF STERLING BIOTECH LIMITED

Report on the Financial Results

We have audited the financial results of Sterling Biotech Limited ("the Company"), for the year ended December 31, 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 the 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 December 31, 2012 as reported in the accompanying financial results are the derived figures between the audited figures in respect of the current full financial year ended December 31, 2012 and the published year-to-date figures up to September 30, 2012, being the date of the end of the third quarter of the current financial year. Further, the figures up to the end of the third quarter of the current year and the corresponding quarter for the previous year have only been reviewed by us and have not been subject to audit.

### **Management's Responsibility for the Financial Results**

These financial results have been prepared on the basis of the audited financial statements of the Company for the year ended December 31, 2012 and reviewed quarterly financial results up to September 30, 2012, being the date of the end of the third quarter of the current financial year. Management is responsible for the preparation of these financial results that give a true and fair view of the net loss and other financial information in accordance with the recognition and measurement principles set out in the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") and other accounting principles generally accepted in India, and in compliance with Clause 41 of the Listing Agreement. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial results based on our audit of the financial results for the year ended December 31, 2012. 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 misstatements. 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.

## **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the accompanying financial results:

- (a) are presented in accordance with the requirements of Clause 41 of the Listing Agreement in this regard; and
- (b) give a true and fair view of the net loss and other financial results for the year ended December 31, 2012.

For H. S. HATHI & CO.  
FIRM REG NO. 103596W  
CHARTERED ACCOUNTANTS

HEMANT S.HATHI  
MEMBERSHIP NO. 37109  
PARTNER

DATE : 1 March 2013  
PLACE : MUMBAI