

STANDALONE UNAUDITED FINANCIAL RESULTS

FOR THE QUARTER ENDED 31ST MARCH, 2014

(Rs. In lacs except per share data)

PARTICULARS	QTR ENDED			NINE MONTHS ENDED		YEAR ENDED
	31/03/2014	31/12/2013	31/12/2012	31/03/2014	31/12/2012	30/06/2013
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
a NET SALES / INCOME FROM OPERATIONS (Net of excise duty)	10100.52	13672.05	25012.79	39068.83	81187.41	122982.63
b OTHER OPERATING INCOME	72.05	81.11	65.77	202.58	145.19	317.03
TOTAL INCOME FROM OPERATIONS(NET)(A+B)	10172.57	13753.16	25078.56	39272.41	81332.60	123309.66
2 EXPENSES						
a) Cost of materials consumed	985.36	1526.05	2642.90	3631.32	9416.24	12247.05
b) Purchases of stock-in-trade	4339.08	3583.30	10316.88	10615.21	24418.28	39346.17
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	-777.90	624.56	-2903.39	1764.44	3593.89	5715.91
d) Employee benefits expense.	3038.77	2602.91	3490.60	8231.40	9859.35	15748.79
e) Depreciation and amortisation expense	730.67	743.77	692.91	2216.73	2190.29	3652.09
f) Other expenses	3935.02	2749.20	6088.99	9449.88	16945.55	23344.88
TOTAL EXPENSES	12251.00	11829.79	20328.89	36108.98	66423.80	100054.89
3 PROFIT/(LOSS) FROM OPERATIONS BEFORE OTHER INCOME, FINANCE COSTS AND EXCEPTIONAL ITEMS (1-2)	-2078.43	1923.37	4749.67	3163.43	14909.00	23254.77
4 OTHER INCOME	1157.62	218.42	476.67	1902.57	1654.18	2621.76
5 PROFIT/(LOSS) FROM ORDINARY ACTIVITIES BEFORE FINANCE COSTS AND EXCEPTIONAL ITEMS (3-4)	-920.81	2141.79	5226.34	5066.00	16563.18	25876.53
6 Finance costs	6607.41	4280.17	2759.88	14251.04	7477.33	13797.34
7 PROFIT/(LOSS) FROM ORDINARY ACTIVITIES AFTER FINANCE COSTS BUT BEFORE EXCEPTIONAL ITEMS (5-6)	-7528.22	-2138.38	2466.46	-9185.04	9085.85	12079.19
8 EXCEPTIONAL ITEMS	0.00	0.00	0.00	0.00	508.77	508.77
9 PROFIT/(LOSS) FROM ORDINARY ACTIVITIES BEFORE (7-8)	-7528.22	-2138.38	2466.46	-9185.04	8577.08	11570.42
10 TAX EXPENSES	0.00	0.00	500.00	0.00	1725.00	2196.66
11 NET PROFIT/(LOSS) FROM ORDINARY ACTIVITIES AFTER (9-10)	-7528.22	-2138.38	1966.46	-9185.04	6852.08	9373.76
12 EXTRAORDINARY ITEM (NET OF TAX EXP. RS.-Lac)	--	--	--	--	--	--
13 NET PROFIT/(LOSS) FOR THE PERIOD (11-12)	-7528.22	-2138.38	1966.46	-9185.04	6852.08	9373.76
14 SHARE OF PROFIT/(LOSS) OF ASSOCIATES	0.00	0.00	0.00	0.00	0.00	0.00
15 MINORITY INTEREST	0.00	0.00	0.00	0.00	0.00	0.00
16 NET PROFIT/(LOSS) AFTER TAXES, MINORITY INTEREST AND SHARE OF PROFIT/(LOSS) OF ASSOCIATES (13+14+15)	-7528.22	-2138.38	1966.46	-9185.04	6852.08	9373.76
17 PAID UP EQUITY SHARE CAPITAL (FACE VALUE OF SHARES Rs. 10/-)	2053.69	2053.69	2053.69	2053.69	2053.69	2053.69
18 RESERVE EXCLUDING REVALUATION RESERVES AS PER BALANCE SHEET OF PREVIOUS ACCOUNTING YEAR	--	--	--	--	--	74845.54
19i EARNINGS PER SHARE (before extraordinary items) (of Rs.10/-each) (not annualised)						
a) Basic	-36.66	-10.41	9.58	-44.72	33.36	45.64
b) Diluted						
19ii EARNINGS PER SHARE (After extraordinary items) (of Rs.10/-each) (not annualised)						
a) Basic	-36.66	-10.41	9.58	-44.72	33.36	45.64
b) Diluted						

A PARTICULARS OF SHAREHOLDING						
1 PUBLIC SHAREHOLDING:						
NUMBER OF SHARES	15436656	15198345	12343803	15436656	12343803	13471572
PERCENTAGE OF SHAREHOLDING	75.17	74.00	60.10	75.17	60.10	65.60
2 PROMOTERS & PROMOTER GROUP SHAREHOLDING						
A) PLEDGED/ENCUMBERED						
-NUMBER OF SHARES	4666131	5067560	6729802	4666131	6729802	7024370
-PERCENTAGE OF SHRAES(AS A % OF THE TOTAL SH HOLDING OF PROMOTER & PROMOTER GROUP)	91.49	95.30	82.14	91.49	82.14	96.42
-PERCENTAGE OF SHRAES (AS A % OF TOTAL SHARE CAPITAL OF THE COMPANY)	22.72	24.77	32.77	22.72	32.77	34.20
B) NON - ENCUMBERED						
-NUMBER OF SHARES	434149	251031	1463331	434149	1463331	40904
-PERCENTAGE OF SHRAES(AS A % OF THE TOTAL SH HOLDING OF PROMOTER & PROMOTER GROUP)	8.51	1.23	17.86	8.51	17.86	0.56
-PERCENTAGE OF SHARES (AS A % OF TOTAL SHARE CAPITAL OF THE COMPANY)	2.11	4.70	7.13	2.11	7.13	0.20

PARTICULARS	As on 31/03/2014
B INVESTOR COMPLAINTS:	
Pending at the beginning of the quarter	0
Received during the quarter	1
Disposed of during the quarter	1
Remaining unresolved at the end of the quarter	0

Notes:

- 1) The above results were reviewed by the Audit committee and approved by the Board of Directors at their meeting held on 15th May,2014
- 2) The Statutory Auditors have carried out a limited review of the unaudited (provisional) financial results for the quarter and nine months ended 31st March,2014 with some audit observations
- 3) The Company operates in pharmaceutical segment only. Hence pursuant to AS-17 on segment reporting, segmental information is not required to be given.
- 4) Provision of tax includes current tax. Deferred tax will be provided at the year end.
- 5) Since the figures pertaining to previous accounting year are based on 15 months accounting year ended on 30th June 2013, the same are not comparable with current accounting year which is of 12 months starting from 1st July 2013 to 30th June 2014.
- 6) Previous year and Quarter figures have been regrouped / rearranged wherever necessary (as per new format under Schedule VI of the Companies Act, 2013)

Place: Mumbai

Date : 16th May,2014

For Elder Pharmaceuticals Ltd

Alex Sajwan Saxena
Managing Director & CEO

ELDER PHARMACEUTICALS LIMITED

CONSOLIDATED UNAUDITED FINANCIAL RESULTS

FOR THE QUARTER ENDED 31ST MARCH, 2014

(Rs. in lacs except per share data)

PARTICULARS	QTR ENDED			NINE MONTHS ENDED		YEAR ENDED
	31/03/2014	31/12/2013	31/12/2012	31/03/2014	31/12/2012	30/06/2013
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
INCOME FROM OPERATIONS						
a NET SALES / INCOME FROM OPERATIONS (Net of excise duty)	22740.66	38421.64	37402.47	88330.43	113153.86	163853.08
b OTHER OPERATING INCOME	144.84	285.02	66.5	537.86	194.41	317.03
TOTAL INCOME FROM OPERATIONS(NET)(A+B)	22885.5	38706.66	37468.97	88868.29	113348.27	164170.11
2 EXPENSES						
a) Cost of materials consumed	1158.14	1905.74	2813.8	4333.09	9842.05	12583.26
b) Purchases of stock-in-trade	12400.84	18637.95	19139.31	41090.17	44754.89	71182.21
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	-1424.91	536.18	-3679.73	1234.34	4156.19	-130.19
d) Employee benefits expense.	5945.87	7413.37	5665.64	18236.03	15505.57	23914.14
e) Depreciation and amortisation expense	953.39	1106.85	876.96	2982.49	2697.72	4407.57
f) Other expenses	5659.36	6862.15	7751.26	17077	21555.24	29286.65
TOTAL EXPENSES	24692.69	36462.24	32567.24	84953.12	98511.66	141243.64
3 PROFIT/(LOSS) FROM OPERATIONS BEFORE OTHER INCOME, FINANCE COSTS AND EXCEPTIONAL ITEMS (1-2)	-1807.19	2244.42	4901.73	3915.17	14836.61	22926.47
4 OTHER INCOME	1272.58	437.23	511.47	2353.48	1833.54	3269.88
5 PROFIT/(LOSS) FROM ORDINARY ACTIVITIES BEFORE FINANCE COSTS AND EXCEPTIONAL ITEMS (3-4)	-534.61	2681.65	5413.2	6268.65	16670.15	26196.35
6 Finance costs	6946.42	4934.71	3097.43	15582.34	8442.75	15482.59
7 PROFIT/(LOSS) FROM ORDINARY ACTIVITIES AFTER FINANCE COSTS BUT BEFORE EXCEPTIONAL ITEMS (5-6)	-7481.03	-2253.06	2315.77	-9293.69	8227.4	10713.76
8 EXCEPTIONAL ITEMS	-289.94	48.01	1.25	-241.94	511.3	283.03
9 PROFIT/(LOSS) FROM ORDINARY ACTIVITIES BEFORE TAXES (7-8)	-7191.09	-2301.07	2314.52	-9051.75	7716.1	10430.73
10 TAX EXPENSES	172.13	32.45	447.25	330.55	1684.44	2191.56
11 NET PROFIT/(LOSS) FROM ORDINARY ACTIVITIES (9-10)	-7363.22	-2333.52	1867.27	-9382.3	6031.66	8239.17
12 EXTRAORDINARY ITEM (NET OF TAX EXP. RS. -Lacs)	--	--	--	--	--	--
13 NET PROFIT/(LOSS) FOR THE PERIOD (11-12)	-7363.22	-2333.52	1867.27	-9382.3	6031.66	8239.17
14 SHARE OF PROFIT/(LOSS) OF ASSOCIATES	0	0	0	0	0	0
15 MINORITY INTEREST	0	0	0	0	0	0
16 NET PROFIT/(LOSS) AFTER TAXES, MINORITY INTEREST AND SHARE OF PROFIT/(LOSS) OF ASSOCIATES (13+14+15)	-7363.22	-2333.52	1867.27	-9382.3	6031.66	8239.17
17 PAID UP EQUITY SHARE CAPITAL (FACE VALUE OF SHARES Rs. 10/-)	2053.69	2053.69	2053.69	2053.69	2053.69	2053.69
18 RESERVE EXCLUDING REVALUATION RESERVES AS PER BALANCE SHEET OF PREVIOUS ACCOUNTING YEAR	--	--	--	--	--	74845.54
19i EARNINGS PER SHARE (before extraordinary items) (of Rs. 10/-each) (not annualised)						
a) Basic	-35.85	-11.36	9.09	-45.69	29.37	40.12
b) Diluted						
19ii EARNINGS PER SHARE (After extraordinary items) (of Rs. 10/-each) (not annualised)						
a) Basic	-35.85	-11.36	9.09	-45.69	29.37	40.12
b) Diluted						

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1 PUBLIC SHAREHOLDING:						
NUMBER OF SHARES	15436656	15198345	12343803	15436656	12343803	13471572
PERCENTAGE OF SHAREHOLDING	75.17	74	60.1	75.17	60.1	65.6
2 PROMOTERS & PROMOTER GROUP SHAREHOLDING						
A) PLEDGED/ENCUMBERED						
-NUMBER OF SHARES	4666131	5067590	6729602	4666131	6729602	7024370
-PERCENTAGE OF SHARES (AS A % OF THE TOTAL HOLDING OF PROMOTER & PROMOTER GROUP)	91.49	95.3	62.14	91.49	82.14	99.42
-PERCENTAGE OF SHARES (AS A % OF TOTAL SHARE CAPITAL OF THE COMPANY)	22.72	24.77	32.77	22.72	32.77	34.2
B) NON - ENCUMBERED						
-NUMBER OF SHARES	434149	251031	1463331	434149	1463331	40994
-PERCENTAGE OF SHARES (AS A % OF THE TOTAL HOLDING OF PROMOTER & PROMOTER GROUP)	8.51	1.23	17.86	8.51	17.86	0.56
-PERCENTAGE OF SHARES (AS A % OF TOTAL SHARE CAPITAL OF THE COMPANY)	2.11	4.7	7.13	2.11	7.13	0.2

	As On
PARTICULARS	31/03/2014
B INVESTOR COMPLAINTS:	
Pending at the beginning of the quarter	0
Received during the quarter	1
Disposed of during the quarter	1
Remaining unresolved at the end of the quarter	0

Notes:

- 1) The above results were reviewed by the Audit committee and approved by the Board of Directors at their meeting held on 15th May, 2014
- 2) The Statutory Auditors have carried out a limited review of the unaudited (provisional) financial results for the quarter and nine months ended 31st March, 2014 with some audit observations
- 3) The Consolidated results includes the results of the Wholly Owned Subsidiaries of the Company viz. Elder International FZCO, Dubai, Elder Biomed EAD, Bulgaria and Neutrahealth Ltd, UK
- 4) The Company operates in pharmaceutical segment only. Hence pursuant to AS-17 on segment reporting, segmental information is not required to be given.
- 5) Standalone Financial results are available on the Company's website
- 6) Provision of tax includes current tax. Deferred tax will be provided at the year end.
- 7) Since the figures pertaining to previous accounting year are based on 15 months accounting year ended on 30th June 2013, the same are not comparable with current accounting year which is of 12 months starting from 1st July 2013 to 30th June 2014.
- 8) Previous year and Quarter figures have been regrouped / rearranged wherever necessary (as per new format under Schedule VI of the Companies Act, 2013)

For Elder Pharmaceuticals Ltd.



Manoj Kumar Sharma
Managing Director & CEO

Place: Mumbai

Date : 15th May, 2014



To
The Board of Directors
Elder Pharmaceuticals Ltd
Elder House, Plot No: C-9,
Dalia Industrial Estate,
Off. Veera Desai Road, Andheri (W),
Mumbai - 400 053.

Introduction:

We have reviewed the accompanying statement of unaudited Consolidated financial results of M/s Elder Pharmaceuticals Limited for the quarter ended 31st March, 2014 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.

Scope of Review:

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of interim financial information performed by the independent Auditors 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.

Basis for Qualified Conclusion:

Based on information provided by the management:

- (a) With a view to reducing the debts of the company, the Company has entered into a Business Transfer Agreement (BTA) with Torrent Pharmaceuticals Limited on 13th December 2013. Under the said BTA, the Company would transfer, sell, assign, convey or otherwise dispose of Company's business of sales, marketing and distribution of the Company's products forming of teams A2, B-Gynae, B-CP through sales force or otherwise in India and Nepal (excluding exports from India and Nepal), including assignment of the trademarks relating to the products forming part of the above mentioned teams, along with goodwill attached thereto and related assets and liabilities for a total lump sum consideration of Rs.2004 crores as a going concern by way of slump sale as defined under Section 2(42C) of the Income Tax Act, 1961.

The said transaction has not yet been completed and is subject to fulfillment of certain conditions precedent. The Company is in the process of completing them shortly.





- (b) Some lenders have filed legal cases against the company, its directors and other officers under section 138 of the Negotiable Instruments Act, 1981. As explained to us, the company in some cases has made part payments and settlement negotiations are initiated in other cases.

The ultimate outcome of these matters cannot presently be determined.

- (c) Some lenders / bankers / sundry creditors / non-convertible debenture holders have served the notices on the company for dishonouring of the cheques and default in payment of their dues under various acts governing dishonouring of cheques and default in repayments of loans. As informed, the company has been negotiating payment modalities with such lenders / bankers / sundry creditors / non-convertible debenture holders.

The ultimate outcome of these matters cannot presently be determined / ascertained.

- (d) The statutory dues under various statutes aggregating to Rs. 3253.87 lakhs are due for depositing with the appropriate authorities as at 31st March, 2014. The Company has since paid Rs.145.20 lakhs against the dues.
- (e) Sums aggregating Rs.15,313.80 lakhs and Rs. 5289.34 lakhs due to banks and sums aggregating Rs.3,858.32 and Rs. 2,449.26 due to Non-Convertible Debentures holders towards principal amount & interest thereon respectively are overdue for payment.
- (f) The company has delayed in making payments of matured deposits of Rs. 952.33 lakhs and premature deposits of Rs. 209.92 lakhs accepted by the company as Fixed Deposits under Companies (Acceptance of Deposits) Rules, 1975. As informed to us the Company has made arrangements to repay the deposits on a weekly basis to clear the overdues.
- (g) Some of the banks have classified the Company's account as Non Performing Assets, for non-compliance with the terms of loan agreement.

Also there were delays in payment of sundry creditors.

As informed to us a large portion of the Business Transfer Agreement proceeds of the transaction with Torrent Pharmaceuticals Ltd. will be utilized for payment to lenders in full or part and for payment of statutory dues and creditors.

In view of the foregoing information the going concern basis of the Company will not be affected.





Qualified Conclusion:

Based on our review, with the exception of the matters described in the preceding paragraphs, nothing has come to our attention that causes us to believe that the accompanying Statement of Unaudited Financial Results, prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting", (notified pursuant of the Companies (Accounting Standards) Rules, 2006, (as amended), and other recognized 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 S.S. KHANDELWAL & CO.
Chartered Accountants
(Firm Registration No: 105064W)

(S. S. KHANDELWAL)
Proprietor
Membership No. 031487

Mumbai: 15th May, 2014

