

**DR. REDDY'S LABORATORIES LIMITED**

**PART I : STATEMENT OF UNAUDITED STANDALONE RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2012**

All amounts in Indian Rupees lakhs, except share data

Sl. No.	Particulars	Quarter ended			Nine months ended		Year ended
		31.12.2012	30.09.2012	31.12.2011	31.12.2012	31.12.2011	31.03.2012
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>1</b>	<b>Income from operations</b>						
	a) Net sales / income from operations (Net of excise duty)	212,460	204,129	156,680	591,344	485,507	660,378
	b) License fees and service income	1,265	4,882	2,159	9,793	4,732	6,399
	c) Other operating income	2,119	1,844	1,930	6,016	4,902	7,193
	<b>Total income from operations (net)</b>	<b>215,844</b>	<b>210,855</b>	<b>160,769</b>	<b>607,153</b>	<b>495,141</b>	<b>673,970</b>
<b>2</b>	<b>Expenses</b>						
	a) Cost of materials consumed	62,836	57,345	44,717	170,709	130,509	179,201
	b) Purchase of stock-in-trade	10,892	9,706	7,225	29,601	23,956	30,763
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(6,879)	(3,384)	(5,582)	(17,403)	(10,937)	(10,476)
	d) Research and development expenses, net	15,808	16,754	14,947	46,587	41,385	58,129
	e) Employee benefits expense	28,655	28,719	21,413	83,469	63,016	86,614
	f) Selling expenses	20,373	19,420	19,585	59,366	48,004	62,506
	g) Provision for decline in the value of long-term investments	-	2,219	-	2,219	-	19,248
	h) Other expenditure	30,239	37,096	37,747	95,835	87,342	93,768
	i) Depreciation and amortisation	7,907	7,603	7,488	22,822	21,721	30,115
	<b>Total expenses</b>	<b>169,831</b>	<b>175,478</b>	<b>147,540</b>	<b>493,205</b>	<b>404,996</b>	<b>549,868</b>
<b>3</b>	<b>Profit from ordinary activities before other income, finance costs</b>	<b>46,013</b>	<b>35,377</b>	<b>13,229</b>	<b>113,948</b>	<b>90,145</b>	<b>124,102</b>
4	Other income	2,786	16,389	2,417	10,146	4,983	8,178
<b>5</b>	<b>Profit from ordinary activities before finance costs and exceptional items (3 + 4)</b>	<b>48,799</b>	<b>51,766</b>	<b>15,646</b>	<b>124,094</b>	<b>95,128</b>	<b>132,280</b>
6	Finance costs	1,154	1,504	1,693	4,380	4,795	6,362
<b>7</b>	<b>Profit from ordinary activities before exceptional items (5 - 6)</b>	<b>47,645</b>	<b>50,262</b>	<b>13,953</b>	<b>119,714</b>	<b>90,333</b>	<b>125,918</b>
8	Exceptional items	-	-	-	-	-	-
<b>9</b>	<b>Profit from ordinary activities before tax (7 - 8)</b>	<b>47,645</b>	<b>50,262</b>	<b>13,953</b>	<b>119,714</b>	<b>90,333</b>	<b>125,918</b>
10	Tax expense	12,981	13,959	3,150	30,981	20,275	34,682
<b>11</b>	<b>Net Profit from ordinary activities after tax (9 - 10)</b>	<b>34,664</b>	<b>36,303</b>	<b>10,803</b>	<b>88,733</b>	<b>70,058</b>	<b>91,236</b>
12	Extra-ordinary items	-	-	-	-	-	-
<b>13</b>	<b>Net profit for the period / year (11 - 12)</b>	<b>34,664</b>	<b>36,303</b>	<b>10,803</b>	<b>88,733</b>	<b>70,058</b>	<b>91,236</b>
14	Paid - up equity share capital (face value Rs.5/- each)	8,492	8,492	8,476	8,492	8,476	8,478
15	Reserves (excluding revaluation reserve)						663,317
<b>16</b>	<b>Earnings per share for the period (in Rupees) per Rs.5/- share</b>						
	a) Before Extra-ordinary items						
	- Basic	20.41	21.38	6.37	52.27	41.35	53.83
	- Diluted	20.31	21.27	6.34	52.01	41.13	53.56
	b) After Extra-ordinary items						
	- Basic	20.41	21.38	6.37	52.27	41.35	53.83
	- Diluted	20.31	21.27	6.34	52.01	41.13	53.56
		(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	

**DR. REDDY'S LABORATORIES LIMITED**

**PART II : SELECTED INFORMATION FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2012**

**A PARTICULARS OF SHAREHOLDING**

Sl No.	Particulars	Quarter ended			Nine months ended		Year ended
		31.12.2012	30.09.2012	31.12.2011	31.12.2012	31.12.2011	31.03.2012
1	Public shareholding*						
	- Number of shares (face value Rs.5/- each)	98,126,503	97,663,976	96,543,537	98,126,503	96,543,537	97,627,569
	- Percentage of shareholding	57.78	57.51	56.94	57.78	56.94	57.57
2	Promoters and promoter group shareholding						
	a) Pledged / Encumbered						
	- Number of shares	-	-	-	-	-	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-
	- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-	-
	b) Non-encumbered						
	- Number of shares	43,417,812	43,417,812	43,417,812	43,417,812	43,417,812	43,417,812
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00	100.00	100.00
	- Percentage of shares (as a % of the total share capital of the company)	25.56	25.56	25.61	25.56	25.61	25.61

\*Public shareholding as defined under Clause 40A of Listing Agreement (excludes shares held by Promoters, Promoter Group and American Depository Receipt Holders)

**B INVESTOR COMPLAINTS**

Pending at the beginning of the quarter	Nil
Received during the quarter	5
Disposed off during the quarter	5
Remaining unresolved at the end of the quarter	Nil

**Segment Information**

All amounts in Indian Rupees lakhs

Sl. No.	Particulars	Quarter ended			Nine months ended		Year ended	
		31.12.2012	30.09.2012	31.12.2011	31.12.2012	31.12.2011	31.03.2012	
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	
<b>Segment wise revenue, results and capital employed:</b>								
1	<b>Segment revenue :</b>							
	a) Pharmaceutical Services and Active Ingredients	72,564	73,556	63,092	203,636	179,214	259,069	
	b) Global Generics	158,654	147,294	111,603	443,088	351,471	468,035	
	c) Proprietary Products	1	93	44	2,790	130	189	
	<b>Total</b>	<b>231,219</b>	<b>220,943</b>	<b>174,739</b>	<b>649,514</b>	<b>530,815</b>	<b>727,293</b>	
	Less: Inter segment revenue	15,218	13,411	13,936	41,729	35,670	53,364	
	Add : Other unallocable Income	2,629	19,712	2,383	9,514	4,979	8,219	
	<b>Total income</b>	<b>218,630</b>	<b>227,244</b>	<b>163,186</b>	<b>617,299</b>	<b>500,124</b>	<b>682,148</b>	
	2	<b>Segment results :</b>						
		Profit / (loss) before tax and interest from each segment						
a) Pharmaceutical Services and Active Ingredients		7,628	9,662	17,172	23,329	33,117	48,602	
b) Global Generics		63,026	43,427	33,579	141,822	133,297	157,976	
c) Proprietary Products		(4,185)	(3,708)	(5,301)	(9,407)	(12,311)	(16,800)	
<b>Total</b>		<b>66,469</b>	<b>49,381</b>	<b>45,450</b>	<b>155,744</b>	<b>154,103</b>	<b>189,778</b>	
Less: (i) Interest		1,154	1,504	1,693	4,380	4,795	6,362	
(ii) Other un-allocable expenditure, net		17,670	(2,385)	29,804	31,650	58,975	57,498	
<b>Total profit before tax</b>		<b>47,645</b>	<b>50,262</b>	<b>13,953</b>	<b>119,714</b>	<b>90,333</b>	<b>125,918</b>	
3		<b>Capital Employed :</b>						
	a) Pharmaceutical Services and Active Ingredients	238,153	222,542	200,208	238,153	200,208	203,180	
	b) Global Generics	364,367	341,791	285,365	364,367	285,365	272,931	
	c) Proprietary Products	(1,733)	(1,296)	(3,386)	(1,733)	(3,386)	(1,754)	
	d) Unallocated	163,246	168,950	190,191	163,246	190,191	197,438	
	<b>Total</b>	<b>764,033</b>	<b>731,987</b>	<b>672,378</b>	<b>764,033</b>	<b>672,378</b>	<b>671,795</b>	

Global Generics includes operations of Biologics business. Inter-segment revenue represents sale from Pharmaceutical Services and Active Ingredients to Global Generics.

**Notes:**

- Pursuant to the judgement rendered by the A.P. High Court on 4 December 2012, the Company, based on its best estimate, has recorded an expense of ₹ 2,181 lakhs during the quarter ended 31 December 2012 towards Fuel Surcharge Adjustments (additional electricity cost) for the period from 01 April 2008 to 31 December 2012. The aforesaid expense is included in 'Other expenditure'.
- The unaudited results have been reviewed by the Audit Committee of the Board on 13 February 2013 and approved by the Board of Directors of the Company at their meeting held on 14 February 2013.
- The figures of the earlier periods have been re-grouped to be in conformity with the new format prescribed under Clause 41 of the listing agreement.
- The results for the quarter and nine months ended 31 December 2012 have been subjected to a 'Limited Review' by the Statutory Auditors of the Company. An unqualified report has been issued by them thereon.

By order of the Board  
For Dr. Reddy's Laboratories Limited

Place: Hyderabad  
Date: 14 February 2013

Satish Reddy  
Managing Director & Chief Operating Officer