

Unaudited consolidated financial results of Dr. Reddy's Laboratories Limited and its subsidiaries for the quarter ended 30 June 2012 prepared in compliance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB)

All amounts in Indian Rupees lakhs, except share data

Sl. No.	Particulars	Quarter ended			Year ended
		30.06.12 (Unaudited)	31.03.12 (Audited)	30.06.11 (Unaudited)	31.03.12 (Audited)
1	Net Income from Sales and Services	254,061	265,845	197,832	967,374
2	Cost of Sales and Services				
	a) (Increase) / decrease in stock-in-trade and work-in-progress	(12,342)	1,373	(5,203)	(14,017)
	b) Consumption of raw materials	90,278	84,404	63,499	303,195
	c) Other expenditure	40,716	40,362	33,979	145,141
3	Gross Profit (1 - 2)	135,409	139,706	105,557	533,055
4	Selling, General and Administrative expenses	82,784	72,166	67,566	288,674
5	Research and Development expenses	15,636	17,404	11,968	59,105
6	Impairment loss on intangibles	-	10,404	-	10,404
7	Other (income) / expense, net	(2,185)	(1,980)	(1,870)	(7,650)
8	Operating profit (3) - (4 + 5 + 6 + 7)	39,174	41,712	27,893	182,522
9	Finance (expense) / income, net	(2,116)	822	(465)	1,599
10	Share of profit / (loss) of equity accounted affiliate, net of income taxes	190	115	40	544
11	Profit / (loss) before tax (8 + 9 + 10)	37,248	42,649	27,468	184,665
12	Tax Expense / (benefit)	3,650	8,379	1,194	42,044
13	Net Profit after tax (11 - 12)	33,598	34,270	26,274	142,621
14	Extra-ordinary items (net of tax expense)	-	-	-	-
15	Net Profit for the period / year (13 - 14)	33,598	34,270	26,274	142,621
16	Paid-up equity share capital (Face value of Rs. 5/- each)	8,490	8,478	8,474	8,478
17	Share premium, retained earnings, share based payment reserve, debenture redemption reserve and other components of equity				566,001
18	Earnings per share for the period / year (in Rupees) per Rs. 5/- share				
	- Basic	19.81	20.21	15.52	84.16
	- Diluted	19.74	20.14	15.45	83.81
		(Not annualised)	(Not annualised)	(Not annualised)	
19	Public shareholding *				
	- Number of shares	97,877,295	97,627,569	93,828,201	97,627,569
	- Percentage of shareholding	57.64	57.57	55.36	57.57
20	Promoters and promoter group shareholding				
	a) Pledged / Encumbered				
	- Number of shares	-	-	2,100,000	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	4.84	-
	- Percentage of shares (as a % of the total share capital of the Company)	-	-	1.24	-
	b) Non-encumbered				
	- Number of shares	43,417,812	43,417,812	41,317,812	43,417,812
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	95.16	100.00
	- Percentage of shares (as a % of the total share capital of the Company)	25.57	25.61	24.38	25.61
21	Details of expenditure				
	Items exceeding 10% of total expenditure				
	- Employee cost	47,668	44,834	40,762	169,275

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

Segment reporting (Consolidated)

All amounts in Indian Rupees lakhs

Sl. No.	Particulars	Quarter ended			Year ended
		30.06.12 (Unaudited)	31.03.12 (Audited)	30.06.11 (Unaudited)	31.03.12 (Audited)
1	Segment wise revenue and results:				
	Segment revenue :				
	a) Pharmaceutical Services and Active Ingredients	68,372	92,531	57,608	291,483
	b) Global Generics	190,663	183,972	144,240	702,434
	c) Proprietary Products	3,783	2,932	1,968	10,776
	d) Others	4,343	4,104	3,309	16,045
	Total	267,161	283,539	207,125	1,020,738
	Less: Inter-segment revenue	13,100	17,694	9,293	53,364
	Net Revenue from operations	254,061	265,845	197,832	967,374
	2	Segment results :			
Gross Profit from each segment					
a) Pharmaceutical Services and Active Ingredients		17,205	28,449	10,443	75,077
b) Global Generics		112,626	107,029	92,641	442,633
c) Proprietary Products		3,483	2,562	1,616	9,032
d) Others		2,095	1,666	857	6,313
Total		135,409	139,706	105,557	533,055
Less: Other un-allocable expenditure, net of other income		98,161	97,057	78,089	348,390
Total profit before tax		37,248	42,649	27,468	184,665

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

Segmental Capital employed

As certain assets of the company including manufacturing facilities, development facilities and treasury assets and liabilities are often deployed interchangeably across segments, it is impractical to allocate these assets and liabilities to each segment. Hence, the details for capital employed have not been disclosed in the above table.

Notes:
1 Investor Complaints

Pending at the beginning of the quarter	Nil
Received during the quarter	4
Disposed of during the quarter	4
Remaining unresolved at the end of the quarter	Nil

2 The Company has consolidated the financial statements of the following companies:

Dr. Reddy's Farmaceutica Do Brazil Ltda., Dr. Reddy's Laboratories (EU) Limited, Dr. Reddy's Laboratories (UK) Limited, Aurigene Discovery Technologies Limited, Aurigene Discovery Technologies Inc., Cheminor Investments Limited, DRL Investments Limited, Reddy Netherlands B.V., Reddy US Therapeutics Inc., Dr. Reddy's Laboratories (Proprietary) Limited, OOO Dr. Reddy's Laboratories Limited, Promius Pharma LLC, Dr Reddy's Bio-Sciences Limited, Trigenesis Therapeutics Inc., Industrias Químicas Falcon de Mexico SA de CV, Lacock Holdings Limited, Reddy Holding GmbH, betapharm Arzneimittel GmbH, beta Healthcare Solutions GmbH, beta institut für sozialmedizinische Forschung und Entwicklung GmbH, Dr. Reddy's Laboratories (Australia) Pty Ltd, OOO Alfa, Reddy Pharmaceuticals Hong Kong Limited, Dr. Reddy's Laboratories Inc., Reddy Cheminor S.A., Reddy Antilles N.V., Reddy Pharma Iberia, S.A., Reddy Pharma Italia S.p.A, Dr. Reddy's Laboratories SA, Eurobridge Consulting B.V, OOO DRS LLC, Dr. Reddy's New Zealand Limited, Aurigene Discovery Technologies (Malaysia) Sdn Bhd, Dr. Reddy's Laboratories Louisiana LLC, Chirotech Technology Limited, Dr. Reddy's Laboratories ILAC TICARET Limited SIRKETI, Dr. Reddy's s.r.l, Dr. Reddy's Pharma SEZ Limited, Dr. Reddy's Laboratories International SA, Idea2Enterprises (India) Private Limited, Dr. Reddy's Laboratories Romania-SRL, I-Ven Pharma Capital Limited, Dr. Reddy's Venezuela, C.A., Dr. Reddy's Laboratories Tennessee LLC, Dr Reddy's Laboratories New York Inc, Dr. Reddy's Laboratories, LLC, Ukraine and Dr. Reddy's Laboratories Canada, Inc.

3 Kunshan Rotam Reddy Pharmaceutical Company Limited (a joint venture) has been accounted under the equity method of accounting in accordance with IAS-31 "Interests in Joint Ventures".
4 The Securities and Exchange Board of India (SEBI) issued a circular, dated 5 April 2010 permitting listed entities having subsidiaries to voluntarily submit the Consolidated Financial Statements as per IFRS. Consequent to this, the Company has voluntarily prepared and published unaudited Consolidated Financial Statements as per IFRS for the quarter ended 30 June 2012 and 30 June 2011 and audited Consolidated Financial Statements as per IFRS for the quarter and year ended 31 March 2012.
5 The unaudited results have been reviewed by the Audit Committee of the Board and approved by the Board of Directors of the Company at their meeting held on 19 July 2012. The above financial results have been prepared from the consolidated financial statements, which are prepared in accordance with International Financial Reporting Standards and its interpretations (IFRS), as issued by the International Accounting Standards Board (IASB).
6 The results for the quarter ended 30 June 2012 have been subjected to a "Limited review" by the Statutory Auditors of the Company. An unqualified report has been issued by them thereon.
7 Unaudited financial results of Dr. Reddy's Laboratories Limited (Standalone Information) prepared as per IGAAP

All amounts in Indian Rupees lakhs

Particulars	Quarter ended			Year ended
	30.06.12	31.03.12	30.06.11	31.03.12
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Total income from operations	180,454	178,830	169,696	673,970
Profit before tax and exceptional items	21,807	35,586	58,313	125,918
Profit after tax before exceptional items	17,766	21,179	45,405	91,236
Profit after tax and exceptional items	17,766	21,179	45,405	91,236

Note:

The unaudited standalone financial results for the quarter ended 30 June 2012 are available on the Stock Exchange's website : www.bseindia.com and www.nseindia.com and also on the Company's website: www.drreddys.com.

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

Place: Hyderabad
Date: 19 July 2012

Satish Reddy
Managing Director & Chief Operating Officer