

**DR. REDDY'S LABORATORIES LIMITED**  
**UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2011**

All amounts in Indian Rupees lakhs, except share data

Sl. No.	PARTICULARS	Quarter ended			Nine Months ended		Year ended
		31.12.11	30.09.11	31.12.10	31.12.11	31.12.10	31.03.11
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Sales / Income from operations (including Excise Duty)	1,57,653	1,62,195	1,37,327	4,88,356	3,92,433	5,25,368
	Less: Excise duty	973	939	848	2,849	2,500	3,564
	<b>Net sales / income from operations</b>	<b>1,56,680</b>	<b>1,61,256</b>	<b>1,36,479</b>	<b>4,85,507</b>	<b>3,89,933</b>	<b>5,21,804</b>
2	License fees and service income	2,159	1,766	1,013	4,732	2,058	3,103
3	Other operating income	1,930	1,676	1,484	4,902	3,784	5,534
4	<b>Total operating income (1 + 2 + 3)</b>	<b>1,60,769</b>	<b>1,64,698</b>	<b>1,38,976</b>	<b>4,95,141</b>	<b>3,95,775</b>	<b>5,30,441</b>
5	<b>Total expenditure</b>	<b>1,47,540</b>	<b>1,46,358</b>	<b>1,11,052</b>	<b>4,04,996</b>	<b>3,18,757</b>	<b>4,36,682</b>
a	(Increase) / decrease in stock	(5,582)	(2,209)	(5,052)	(10,937)	(7,957)	(7,899)
b	Material consumed	51,942	54,719	48,772	1,54,465	1,34,570	1,81,116
c	Research and development expenses, net	14,947	14,527	12,982	41,385	35,133	51,286
d	Personnel costs	20,666	19,745	16,916	60,774	51,215	70,113
e	Selling expenses	19,585	14,491	12,638	48,004	36,542	47,713
f	Other expenditure	38,494	37,745	18,407	89,584	51,010	63,985
g	Depreciation and amortisation	7,488	7,340	6,389	21,721	18,244	24,794
h	Provision for decline in the value of long-term investments	-	-	-	-	-	5,574
6	<b>Profit from operations before other income, interest and exceptional items (4 - 5)</b>	<b>13,229</b>	<b>18,340</b>	<b>27,924</b>	<b>90,145</b>	<b>77,018</b>	<b>93,759</b>
7	Other income	2,417	1,305	3,721	4,983	9,049	11,960
8	<b>Profit before interest and exceptional items (6 + 7)</b>	<b>15,646</b>	<b>19,645</b>	<b>31,645</b>	<b>95,128</b>	<b>86,067</b>	<b>1,05,719</b>
9	Interest	1,693	1,578	54	4,795	113	538
10	<b>Profit before exceptional items (8 - 9)</b>	<b>13,953</b>	<b>18,067</b>	<b>31,591</b>	<b>90,333</b>	<b>85,954</b>	<b>1,05,181</b>
11	Exceptional items	-	-	-	-	-	-
12	<b>Profit from ordinary activities before tax (10 - 11)</b>	<b>13,953</b>	<b>18,067</b>	<b>31,591</b>	<b>90,333</b>	<b>85,954</b>	<b>1,05,181</b>
13	Tax expense	3,150	4,217	5,314	20,275	13,209	15,850
14	<b>Net Profit from ordinary activities after tax (12 - 13)</b>	<b>10,803</b>	<b>13,850</b>	<b>26,277</b>	<b>70,058</b>	<b>72,745</b>	<b>89,331</b>
15	Extra-ordinary items	-	-	-	-	-	-
16	<b>Net profit for the period / year (14 - 15)</b>	<b>10,803</b>	<b>13,850</b>	<b>26,277</b>	<b>70,058</b>	<b>72,745</b>	<b>89,331</b>
17	Paid - up equity share capital (face value Rs.5/- each)	8,476	8,476	8,461	8,476	8,461	8,463
18	Reserves (excluding revaluation reserve)						5,93,537
19	Earnings per share for the period (in Rupees) per Rs.5/- share						
	a) Before Extra-ordinary items						
	- Basic	6.37	8.17	15.53	41.35	43.02	52.82
	- Diluted	6.34	8.13	15.45	41.13	42.76	52.51
	b) After Extra-ordinary items						
	- Basic	6.37	8.17	15.53	41.35	43.02	52.82
	- Diluted	6.34	8.13	15.45	41.13	42.76	52.51
		(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	
20	Public share holding*						
	-Number of shares (Face value Rs.5/- each)	9,65,43,537	9,61,65,909	9,29,47,595	9,65,43,537	9,29,47,595	9,41,24,752
	-Percentage of share holding	56.94	56.73	54.92	56.94	54.92	55.61
21	Promoters and promoter group Shareholding						
a	Pledged/Encumbered						
	- Number of shares	-	-	21,00,000	-	21,00,000	21,00,000
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	4.84	-	4.84	4.84
	- Percentage of shares (as a % of the total share capital of the company)	-	-	1.24	-	1.24	1.24
b	Non-encumbered						
	- Number of shares	4,34,17,812	4,34,17,812	4,13,17,812	4,34,17,812	4,13,17,812	4,13,17,812
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	95.16	100.00	95.16	95.16
	- Percentage of shares (as a % of the total share capital of the company)	25.61	25.61	24.42	25.61	24.42	24.41

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

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Sl. No.	PARTICULARS	Quarter ended			Nine Months ended		Year ended
		31.12.11	30.09.11	31.12.10	31.12.11	31.12.10	31.03.11
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>1</b>	<b>Segment wise revenue, results and capital employed:</b>						
	<b>Segment revenue :</b>						
	a) Pharmaceutical Services and Active Ingredients	63,092	63,222	55,621	1,79,214	1,48,875	2,05,467
	b) Global Generics	1,11,603	1,13,035	91,214	3,51,471	2,70,488	3,56,227
	c) Proprietary Products	44	50	88	130	202	252
	<b>Total</b>	<b>1,74,739</b>	<b>1,76,307</b>	<b>1,46,923</b>	<b>5,30,815</b>	<b>4,19,565</b>	<b>5,61,946</b>
	Less: Inter segment revenue	13,936	12,442	8,701	35,670	23,678	31,551
	Add : Other unallocable Income	2,383	2,138	4,475	4,979	8,937	12,006
	<b>Total income</b>	<b>1,63,186</b>	<b>1,66,003</b>	<b>1,42,697</b>	<b>5,00,124</b>	<b>4,04,824</b>	<b>5,42,401</b>
<b>2</b>	<b>Segment results :</b>						
	Profit / (loss) before tax and interest from each segment						
	a) Pharmaceutical Services and Active Ingredients	17,172	12,414	9,742	33,117	20,436	30,997
	b) Global Generics	33,579	40,128	26,234	1,33,297	80,446	96,210
	c) Proprietary Products	(5,301)	(4,213)	(3,262)	(12,311)	(7,818)	(11,693)
	<b>Total</b>	<b>45,450</b>	<b>48,329</b>	<b>32,714</b>	<b>1,54,103</b>	<b>93,064</b>	<b>1,15,514</b>
	Less: (i) Interest	1,693	1,578	54	4,795	113	538
	(ii) Other un-allocable expenditure, net	29,804	28,684	1,069	58,975	6,997	9,795
	<b>Total profit before tax</b>	<b>13,953</b>	<b>18,067</b>	<b>31,591</b>	<b>90,333</b>	<b>85,954</b>	<b>1,05,181</b>
<b>3</b>	<b>Capital Employed :</b>						
	a) Pharmaceutical Services and Active Ingredients	2,00,208	1,96,429	1,61,404	2,00,208	1,61,404	1,77,497
	b) Global Generics	2,85,365	3,25,123	2,52,209	2,85,365	2,52,209	2,65,407
	c) Proprietary Products	(3,386)	(658)	71	(3,386)	71	303
	d) Unallocated	1,90,191	1,39,627	2,50,716	1,90,191	2,50,716	1,58,793
	<b>Total</b>	<b>6,72,378</b>	<b>6,60,521</b>	<b>6,64,400</b>	<b>6,72,378</b>	<b>6,64,400</b>	<b>6,02,000</b>

**Notes:**

- 1 Pursuant to clause 41 of the Listing Agreement, the investor complaints received, disposed off and lying unresolved for the quarter ended 31 December 2011 are given in the table below:

Nature of Complaints	Opening balance	Received	Disposal	Closing Balance
Non receipt of Shares / Debenture Certificates and Dividend	Nil	3	2	1*

\*Since resolved

- 2 The unaudited results have been reviewed by the Audit Committee of the Board on 2 February 2012 and approved by the Board of Directors of the Company at their meeting held on 3 February 2012.
- 3 The results for the quarter and nine months ended 31 December 2011 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: 3 February 2012

Satish Reddy  
Managing Director & Chief Operating Officer