

Unaudited Consolidated financial results of Dr. Reddy's Laboratories Limited and its subsidiaries for the Quarter ended 30 June 2011 prepared in compliance with International Financial Reporting Standards (IFRS) as issued by International Accounting Standards Board (IASB)

All amounts in Indian Rupees lakhs, except share data

Sl. No.	PARTICULARS	Quarter ended		Year ended
		30.06.11 (Unaudited)	30.06.10 (Unaudited)	31.03.11 (Audited)
1	Net Income from Sales and Services	197,832	168,313	746,928
2	Cost of Sales and Services			
	a) (Increase) / decrease in stock	(5,203)	(5,220)	(17,763)
	b) Consumption of raw materials	63,499	55,572	241,871
	c) Other expenditure	33,979	28,823	120,192
3	Gross Profit (1 - 2)	105,557	89,138	402,628
4	Selling, General and Administrative expenses	67,566	54,818	236,907
5	Research and Development expenses	11,968	9,929	50,596
6	Other (income) / expense, net	(1,870)	(1,864)	(11,151)
7	Operating profit (3) - (4 + 5 + 6)	27,893	26,255	126,276
8	Finance (expense) / income, net	(465)	(1,774)	(1,877)
9	Share of profit / (loss) of equity accounted affiliate, net of income taxes	40	47	32
10	Profit / (loss) before tax (7 + 8 + 9)	27,468	24,528	124,431
11	Tax Expense / (benefit)	1,194	3,573	14,031
12	Net Profit after tax (10 - 11)	26,274	20,955	110,400
13	Non-Controlling Interest	-	-	-
14	Extra-ordinary items (net of tax expense)	-	-	-
15	Net Profit for the period / year (12 + 13 + 14)	26,274	20,955	110,400
16	Paid-up equity share capital (Face value of Rs. 5/- each)	8,474	8,457	8,463
17	Share premium, retained earnings, share based payment reserve, debenture redemption reserve and other components of equity			451,485
18	Earnings per share for the period / year (in Rupees) per Rs. 5/- share			
	Basic	15.52	12.41	65.28
	Diluted	15.45	12.34	64.95
		(Not annualised)	(Not annualised)	
19	Public shareholding *			
	Number of shares	93,828,201	98,897,537	94,124,752
	Percentage of shareholding	55.36	58.47	55.61
20	Promoters and promoter group shareholding			
	a) Pledged / Encumbered			
	- Number of shares	2,100,000	2,100,000	2,100,000
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	4.84	4.83	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	41,317,812	41,417,812	41,317,812
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	95.16	95.17	95.16
	- Percentage of shares (as a % of the total share capital of the Company)	24.38	24.49	24.41
21	Details of expenditure			
	Items exceeding 10% of total expenditure			
	Employee cost	40,762	32,355	141,091
	Depreciation and amortization	12,338	9,760	41,477

*Public Share Holding as defined under Clause 40A of 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
		30.06.11	30.06.10	31.03.11
		(Unaudited)	(Unaudited)	(Audited)
	Segment wise revenue and results:			
1	Segment revenue :			
	a) Pharmaceutical Services and Active Ingredients	57,608	52,759	227,935
	b) Global Generics	144,240	119,171	533,494
	c) Proprietary Products	1,968	1,227	5,323
	d) Others	3,309	2,921	11,727
	Total	207,125	176,078	778,479
	Less: Inter-segment revenue	9,293	7,765	31,551
	Net Revenue from operations	197,832	168,313	746,928
2	Segment results :			
	Gross Profit from each segment			
	a) Pharmaceutical Services and Active Ingredients	10,443	10,017	51,045
	b) Global Generics	92,641	77,354	344,992
	c) Proprietary Products	1,616	796	3,827
	d) Others	857	971	2,764
	Total	105,557	89,138	402,628
	Less: Other un-allocable expenditure, net of other income	78,089	64,610	278,197
	Total profit before tax	27,468	24,528	124,431

Inter-segment revenue represents sale from Pharmaceutical Services and Active Ingredients to Global Generics and vice-versa.

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:

- Pursuant to Clause 41 of the Listing Agreement, the investor complaints received, disposed off and lying unresolved for the quarter ended 30 June 2011 are given in the table below:

Nature of Complaints	Opening Balance	Received	Disposal	Closing Balance
Non receipt of Shares	1	Nil	1	Nil

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

- OOO JV Reddy Biomed Limited, Reddy Pharmaceuticals Hong Kong Limited, Dr. Reddy's Laboratories Inc., Reddy Cheminor S.A., Reddy Antilles N.V., 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 Quimicas Falcon de Mexico SA de CV, Lacoock 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, 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 SİRKETİ, 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 and Dr. Reddy's Laboratories, LLC, Ukraine.
- 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".
- APR LLC (a Special Purpose entity) has been consolidated in accordance with SIC-12 "Consolidation-Special Purpose Entities".
- The unaudited results have been reviewed by the Audit Committee of the board on 20 July 2011 and approved by the Board of Directors of the Company at their meeting held on 20 July 2011. The above financial results have been prepared from the Consolidated condensed interim 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).
- 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 2011, 30 June 2010 and for the year ended 31 March 2011.
- On 20 June 2011, the Company announced a scheme whereby employees, based on an eligibility criteria, could opt and apply for voluntary retirement (i.e., a termination benefit). As per the scheme, employees whose applications are accepted by the Company will be paid the termination benefit in accordance with the methodology prescribed in the scheme. The termination benefit is however restricted to a maximum of Rs. 8 lakhs per employee. As at 30 June 2011, the Company has estimated and provided a sum of Rs. 1,358 lakhs towards the liability.

8 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
	30.06.11	30.06.10	31.03.11
	(Unaudited)	(Unaudited)	(Audited)
Total operating income	169,696	127,126	530,441
Profit before tax and exceptional items	58,313	27,886	105,181
Profit after tax before exceptional items	45,405	24,448	89,331
Profit after tax and exceptional items	45,405	24,448	89,331

Note:

 The unaudited standalone financial results for the quarter ended 30 June 2011 are available on the Stock Exchange's website : www.bseindia.com and www.nscindia.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: 20 July 2011

 Satish Reddy
Managing Director & Chief Operating Officer