

**DR. REDDY'S LABORATORIES LIMITED**  
**UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2010**

All amounts in Indian Rupees lakhs, except share data

Sl. No.	PARTICULARS	Quarter ended		Year ended
		30.06.10	30.06.09	31.03.10
		(Unaudited)	(Unaudited)	(Audited)
1	Sales / Income from operations (including Excise Duty)	126,399	115,177	443,274
	Less: Excise duty	777	760	3,161
	<b>Net sales / income from operations</b>	<b>125,622</b>	<b>114,417</b>	<b>440,113</b>
2	License fees and service income	569	5,365	11,109
3	Other Operating Income	935	654	4,098
<b>4</b>	<b>Total income (1 + 2 + 3)</b>	<b>127,126</b>	<b>120,436</b>	<b>455,320</b>
<b>5</b>	<b>Total expenditure</b>	<b>101,286</b>	<b>92,818</b>	<b>362,873</b>
a	(Increase)/ decrease in stock	(3,373)	112	(11,729)
b	Material consumed	43,826	41,890	164,178
c	Research and development expenses, net	9,443	8,785	36,428
d	Personnel costs	15,389	12,159	51,001
e	Selling expenses	13,019	10,749	44,848
f	Other expenditure	17,262	13,938	52,693
g	Depreciation and amortisation	5,720	5,185	22,243
h	Provision for decline in the value of long-term investments	-	-	3,211
<b>6</b>	<b>Profit from operations before other income, interest and exceptional items (4 - 5)</b>	<b>25,840</b>	<b>27,618</b>	<b>92,447</b>
7	Other Income	2,092	1,635	17,144
<b>8</b>	<b>Profit before interest and exceptional items (6 + 7)</b>	<b>27,932</b>	<b>29,253</b>	<b>109,591</b>
9	Interest	46	355	1,108
<b>10</b>	<b>Profit before Exceptional items (8 - 9)</b>	<b>27,886</b>	<b>28,898</b>	<b>108,483</b>
11	Exceptional items	-	-	-
<b>12</b>	<b>Profit from Ordinary activities before tax (10 - 11)</b>	<b>27,886</b>	<b>28,898</b>	<b>108,483</b>
13	Tax expense	3,438	6,154	23,875
<b>14</b>	<b>Net Profit from ordinary activities after tax (12 - 13)</b>	<b>24,448</b>	<b>22,744</b>	<b>84,608</b>
15	Extra-ordinary Items	-	-	-
<b>16</b>	<b>Net profit for the period / year (14 - 15)</b>	<b>24,448</b>	<b>22,744</b>	<b>84,608</b>
17	Paid - up equity share capital (face value Rs.5/- each)	8,457	8,433	8,442
18	Reserves (Excluding revaluation reserve)			583,007
19	Earnings per share for the period (in Rupees) per Rs.5/- share			
	a) Before Extra-ordinary items			
	- Basic	14.48	13.50	50.15
	- Diluted	14.37	13.39	49.81
	b) After Extra-ordinary items			
	- Basic	14.48	13.50	50.15
	- Diluted	14.37	13.39	49.81
20	Public shareholding*	(Not annualised)	(Not annualised)	
	-Number of shares (Face value Rs.5/- each)	98,897,537	101,140,473	100,778,704
	-Percentage of shareholding	58.47	59.97	59.69
21	Promoters and promoter group shareholding			
a	Pledged / Encumbered			
	- Number of shares	2,100,000	11,220,509	2,225,000
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	4.83	25.78	5.11
	- Percentage of shares (as a % of the total share capital of the company)	1.24	6.65	1.32
b	Non-encumbered			
	- Number of shares	41,417,812	32,297,303	41,292,812
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	95.17	74.22	94.89
	- Percentage of shares (as a % of the total share capital of the company)	24.49	19.15	24.46

\*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		Year ended
		30.06.10	30.06.09	31.03.10
		(Unaudited)	(Unaudited)	(Audited)
1	<b>Segment wise revenue, results and capital employed:</b>			
	<b>Segment revenue :</b>			
	a) Pharmaceutical Services and Active Ingredients	44,012	49,254	185,602
	b) Global Generics	90,904	77,606	287,661
	c) Proprietary Products	43	2	297
	<b>Total</b>	<b>134,959</b>	<b>126,862</b>	<b>473,560</b>
	Less: Inter segment revenue	7,765	6,394	27,970
	Add : Other unallocable Income	2,024	1,603	26,874
	<b>Total income</b>	<b>129,218</b>	<b>122,071</b>	<b>472,464</b>
	2	<b>Segment results :</b>		
Profit / (loss) before tax and interest from each segment				
a) Pharmaceutical Services and Active Ingredients		4,847	10,373	33,957
b) Global Generics		33,255	21,640	80,385
c) Proprietary Products		(2,090)	(2,380)	(9,233)
<b>Total</b>		<b>36,012</b>	<b>29,633</b>	<b>105,109</b>
Less: (i) Interest		46	355	1,108
(ii) Other un-allocable expenditure		8,080	380	(4,482)
<b>Total profit before tax</b>		<b>27,886</b>	<b>28,898</b>	<b>108,483</b>
3		<b>Capital Employed:</b>		
	a) Pharmaceutical Services and Active Ingredients	147,358	134,355	136,672
	b) Global Generics	197,565	176,865	166,017
	c) Proprietary Products	819	2,677	2,365
	d) Others	266,463	237,972	286,395
	<b>Total</b>	<b>612,205</b>	<b>551,869</b>	<b>591,449</b>

**Notes:**

- 1 Pursuant to clause 41 of the Listing Agreement, the investor complaints received, disposed off and lying unresolved for the quarter ended 30 June 2010 are given in the table below:

Nature of Complaints	Opening balance	Received	Disposal	Closing Balance
Non receipt of shares & Dividend	Nil	3	3	Nil

- 2 The unaudited results have been approved by the Board of Directors of the Company at its meeting held on 22 July 2010.  
3 The figures for the previous periods have been re-grouped/re-classified, wherever necessary, to conform with the current period classification.

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

Place: Hyderabad  
Date: 22 July 2010

Satish Reddy  
Managing Director & Chief Operating Officer